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National Municipal Review

Editorial Comment

Georgia Steps Out in Front

THE spurious argument that we should make no fundamental changes to put our affairs in order during a war has been repudiated by the voters of Georgia who last month adopted a new and forward-looking state constitution.¹

Earlier in the year the voters of Missouri took similar action.²

Regrettably, it must be admitted that in both instances the essentially conservative approach of the revisers and their reluctance to propose changes which might be controversial contributed to the ease of adoption.

Nevertheless, when it is considered what moth-eaten conglomerations of accumulated patchwork most state constitutions are, it will be recognized that both Missouri and Georgia took definite strides forward and have set examples of mature action which might well be given thought by other states which need to bring their basic charters out of the horse-and-buggy stage.

Georgia's method of revising its constitution was notably simple and logical. A revision commission of 23, composed of members of each branch of the legislature, members of the appellate and superior courts, certain constitutional officers of the state and representative citizens, was appointed to study the problem and prepare

a document. The General Assembly debated the proposals, made some changes and submitted the draft to the voters. Unfortunately, most states would not find it possible to follow the same easy course.

In a discussion of the Georgia experience,³ Governor Ellis Arnall remarked that "the primary objective of the Georgia revision program was to get the state government in step with the times. We in the south have a feeling that momentous events will follow victory in the Pacific, that there will be a decentralization of industry enabling this section to realize its dream of a sound industrial-agrarian society with genuine economic security for all citizens. It was imperative that state government keep in step with the change, be more efficient and more responsive to public needs. The constitution of 1945 prepares the state government for its new obligations."

Nearly every state would benefit by following the lead of Georgia and Missouri. They would benefit even more if they could rise above their political inhibitions and outworn traditions and face the problem unhampered by the feeling that bad habits become sacrosanct in proportion to their age.

The saboteurs of progress in the conduct of public business are fond

¹See page 402 this issue.

²See "New Constitution for Missouri," by Tess Loeb, the REVIEW, April 1945.

³See "The New Constitution for Georgia," *State Government*, July 1945, p. 109.

of hoodwinking the public with such shibboleths as "We've got to expect a certain amount of inefficiency and waste motion in a democratic system," "What was good enough for grandfather should be good enough for us," "Look at what a great country we've become doing things this way," etc., etc.

That kind of eyewash would be laughable if it were not successful so often. We would face the difficult problems ahead in a better frame of mind if we would temper the fetish we have made of success by the frank admission that the natural wealth of this continent made us so rich we have been able in the past

to endure shocking waste and antiquated, unworkable methods in public affairs.

Now that we have added the huge bill for the war and its aftermath to the high cost of government, taxpayers may not remain so tolerant—it would be more accurate to say apathetic—toward ineffective, inefficient, wasteful methods in the state-house, courthouse and city hall. This sort of thing is not "the American way." Industry, when it changed almost overnight to war production to surpass all other nations in the making of arms, gave a better example of this country's talent and "way."

The Burden Grows Heavy

ONE of the many indications of growing rebellion against the burden of financing political machines from the public purse comes from the Committee of Seventy, a smart Philadelphia civic organization.

Demanding economy and efficiency in city and county government which, it says, could save Philadelphia taxpayers at least \$2,000,000 annually, it calls on citizens to "check the actions of public officials and let them know that the 'easy money' days are over."

The committee in its publication *Civic Affairs* boldly exposes some of the highly paid boards and commissions as the soft patronage beds that they are, not only in Philadelphia but in many other places.

"In private industry," says *Civic Affairs*, "management takes the initiative and voluntarily improves the service that it renders. However, in government this seldom occurs. With

but few exceptions the people have had to depend upon civic leaders who hold no political office and others interested in better government to work for improvements. If our public servants had been interested in properly filling their positions and in giving the people progressively better government we would have had a modernized system years ago.

"When improvements in our present laws have been proposed by recognized authorities, public officials and political parties have, in most instances, opposed and defeated them."

This is the chief reason the proportion of independent voters continues to increase, especially at the local level. Local political leaders too often neither lead their people to progress nor do they even willingly carry out the known wishes of the voters. They have forfeited public confidence.

Wanted: 12 Million New Houses

Ten-year program would produce jobs for over four million, National Housing Agency's administrator believes; private industry is expected to meet much of this pressing need.

By JOHN B. BLANDFORD, JR.*

POSTWAR housing in the United States is only one segment of the broad postwar challenge in this country, and of the still broader challenge of world reconstruction and progress. But the subject of housing—of providing good shelter—is in a sense symbolic of the whole range of postwar goals, dedicated to raising the condition of living for the peoples of the world and to bringing to bear on those conditions the full benefits of modern technology and industrial resources.

When I speak of postwar housing in the United States, I am not speaking of a separate and distinct housing era, wholly divorced from the past. We will start on postwar housing largely with what we had before the war, as modified by the impact and experience of the war and transition economies. That will be the starting point for our progress toward the ultimate housing goal laid down for us by the late President Roosevelt in his economic bill of rights—"the right of every family to a decent home."

*Mr. Blandford is administrator for the National Housing Agency in Washington. He has long been identified with public administration in private organizations as well as public agencies. He was director of the Cincinnati Bureau of Governmental Research from 1926 to 1931, when he was appointed Cincinnati's director of public safety. More recently he has been coordinator and secretary of the board, later general manager, of the Tennessee Valley Authority and assistant director of the Bureau of the Budget.

Before the war we had been making good progress for several years in stimulating housing construction, in encouraging better standards of planning and design, and in making a start on the replacement of slums with decent housing for families of low income. Nevertheless, when we entered the war our national supply of standard housing was still far below the full needs of our population; our cities were still marred by slums and by expanding areas of housing blight, and our rate of housing production was still well below its potentials in terms of jobs, consumption of materials and equipment, and investment outlets for private funds.

The war inevitably intensified these conditions. Because of the tremendous demands for materials and manpower to produce the weapons and equipment of war, all housing construction was necessarily stopped except where imperatively needed in support of the war effort. Our wartime housing program was focussed, of course, on the 4,000,000 migrating war workers and their families who had to be recruited from outside areas to meet the labor needs of war production plants. This was a migration without parallel in our history.

With the cooperation of communities, we were able to house over half these workers in existing dwellings—at the cost of crowding but with

important savings of critical materials and construction manpower. For the rest, we have built about 1,800,000 new war housing units in 1,200 localities. We converted existing buildings into apartments wherever feasible; we assisted privately financed building to the extent that a postwar market for the housing appeared likely; and we built temporary housing, dormitories and stop-gap shelter with federal funds.

Beyond these critical war needs, however, we were not able to spare materials and manpower to take care of the normal new housing needs of the nation, to accommodate the increased number of families, or to replace substandard housing or slums. Repairs and maintenance were greatly curtailed by wartime shortages. And we face the critical problem of housing for the returning veterans of this war.

I do not mean to overemphasize the gravity or extent of this wartime impact on housing as compared with the sacrifices generally necessitated by the war. Nor do I mean to say that the sole effect of the war on housing has been to aggravate the shortage and to defer our efforts to overcome that shortage. In building 1,800,000 units of war housing under difficult limitations on materials and manpower and under constant pressure for speed, we have acquired valuable experience in large-scale construction and new building methods, in pre-fabrication and on-site fabrication. There has been valuable experience in project planning and in housing management. The private building industry has been brought into contact with new markets, par-

ticularly rental housing and lower priced sales housing. All these should be helpful in moving ahead in the postwar period.

With the end of the war, our first objective will be to remove restrictions on home building as promptly as the best interests of the transition economy permit and to do all in our power to stimulate a rapid expansion in home building. This will have a direct bearing on the speed with which we are able to reach a large volume of postwar residential construction since its effect will be to re-establish momentum in the housing industry.

Extent of Need

But to move up intelligently we first must seek to determine the size of the postwar housing need in this country and then examine the plans which are currently being developed in American communities, industry and the federal government to go about meeting that need.

Before considering these matters in detail, perhaps we can get a better insight into the basic importance of housing by a quick look at its impact on the individual American family and the individual American city, as well as on the economy as a whole.

First, as to the individual family. During the thirties, 29 per cent of all consumer expenditures were for housing and household operation, the biggest single item in our national consumer budget next to food. Moreover, the lower the family income the higher the proportion required for housing expense, with the result that in general our lowest income families were paying an excessive

share of their small incomes for bad housing.

Next, as to the individual city. Housing represents the largest single use of the developed land area of our cities and provides about 45 per cent of local tax revenues. The welfare and soundness of many of our cities is being threatened by the drift of population to the suburbs because of deteriorating housing conditions in central sections, by the loss of tax revenues resulting from this suburban trend and the spread of slums and blight, and by the excessive costs of municipal services to slums and blighted areas as compared with the tax revenues received from these same areas. And the upshot of those influences is to undermine the competitive position of many cities as places for adequate, satisfying living.

Finally, as to the national economy. About one-third of the total long term private debt is in housing mortgages, which represent a major investment outlet for the funds of savings banks, savings and loan associations, life insurance companies, and the savings departments of commercial banks. In good years, housing construction has contributed about one-fourth of our total annual investment in new capital goods; in depressed years about one-tenth of a much smaller volume of new investment. And there is rather general agreement that a much larger volume of housing construction than in the past, and a more stable trend in that construction, are among the requirements for a postwar economy of approximately full employment.

Now let's consider the condition of the housing supply and the magnitude of the additional need.

In 1940, before wartime curtailments in new construction, almost 40 per cent of our non-farm housing was deficient in various respects, and over 7,000,000 houses were clearly substandard and required replacement. At the same time the population trend in this country points toward a substantial increase in number of families during the next decade.

Twelve Million Homes

Against this background, in the National Housing Agency we have tentatively identified a need for construction of 12,600,000 non-farm houses during the first ten years after the war. More than 6,000,000 of these would be needed for returning servicemen, for the expected increase in families, and for families now sharing quarters with others. The balance would be needed to replace substandard housing, assuming a twenty-year program for complete replacement of presently below-standard units.

This estimate would call for average annual construction of about a million and a quarter new houses a year, one-third greater than the peak production in any year in the past, 80 per cent above the average rate of construction during the twenties and about double the average number built in the three years preceding this war.

We believe this rate of construction would produce about four and a half million jobs, including employment in supplying industries as well as on the building site. With accompanying expenditures for repairs and farm house construction, it would produce an annual investment of about seven billion dollars in goods

and services. This corresponds closely with estimates of the contribution needed from housing to support a full employment economy in the postwar period.

These are the broad outlines of the postwar housing challenge as we see it. And the dimensions of that challenge are so much greater than our past accomplishments that they clearly make imperative a unified, coordinated, whole-hearted effort in our communities, in industry, in labor and in the federal government.

Taking Inventory

It has seemed to us in the National Housing Agency that the essential preliminary to planning and action on a full-scale postwar housing effort is to inventory our resources, check on our organization for the production and financing of housing, and appraise our existing legal machinery for the assistance and supervision of housing. And we believe that this inquiry should proceed in accord with three basic premises:

First, the primary responsibility for the planning and programming of housing rests with our communities and our local governments;

Second, within our communities there should be maximum reliance upon private enterprise to meet as much of the housing need as possible;

Third, the role for the federal government in housing is to extend the supplementary assistance needed and desired to help communities and private industry progress toward our eventual goal of a decent home for every family.

It seems clear that the front lines in postwar housing in the United

States should and will be in the cities and towns where the houses will be built and lived in. And within that vital community framework, we identify three main focal points of housing activity that constitute the core for cooperative action toward progressive improvement in the community housing supply.

First, there are the home financing institutions, supported by the savings of our citizens and buttressed by the additional sources of financing made available by national financial institutions. Here the need is for strong support of good practice and wise planning, responsive to the mutual interest of home financing institutions and communities in sound and progressive housing development.

Then there are the builders, the architects, the land developers, the building workers, the subcontractors and materials suppliers—the whole complex of local enterprise that actually produces the housing. This area calls for sound construction and good site planning, for a willingness to keep step with evolving technical progress, and for the courage to pioneer new markets.

Finally, there are the vital housing functions centering around our local governments. Here the need is for soundly conceived and well executed city plans aimed at long-range development; for building codes that will assure sound construction without inhibiting technical progress; for subdivision controls and redevelopment plans that will lead to the most productive and well balanced use of city land and aim towards the elimination of slums and blight; and for

soundly administered local programs to provide decent housing for families of very low income.

Experience has shown that these three centers of community housing activity have needed supplementary federal aids. During the thirties, the federal government established three successful programs for housing assistance to communities and enterprise. These include the Federal Home Loan Bank System, which group provides secondary credit for home financing institutions, protects investors in those institutions against loss, and fosters good practice in home financing. They include the Federal Housing Administration, which stimulates the flow of private funds into home financing by insuring lending institutions against loss on mortgages provided good standards are met by the housing thus financed. And they include the Federal Public Housing Authority's program of loans and grants to local housing authorities for low-rent public housing.

While these established programs will continue to be our main reliance, the question now is whether additional means of assistance and stimulus may not be desirable, in view of the magnitude of our postwar housing goals. As a rough check, we measured our estimated postwar need for a million and a quarter new houses a year against the probable income distribution among American families, assuming considerably greater total national income than before the war.

Against this rough measuring rod it seems clear that private enterprise, on the basis of present construction

techniques and financing methods and utilizing existing means of federal assistance, can readily meet at least the upper half of the total new construction need from the standpoint of sales prices or rents. We also have the machinery established for meeting the needs of families of very low income where public subsidy is essential in order to provide decent housing.

Middle Market Needs

But the big challenge is presented by what might be termed the middle market, consisting typically of factory wage earners or white collar workers. We estimate that the potential demand in this market will call for an average of 400,000 new houses a year at lower sales prices or rentals than have been generally available for standard new housing in the past. And we believe that ways and means must be found to help private enterprise fully develop this market if we are to reach our goal of twelve and a half million new houses in the first decade of peace.

For an effective march toward that goal, we believe there should be greatly expanded research in housing, both economic and technical. We believe cities and industry should develop machinery for mining out the full housing facts—to determine accurately what the community housing needs are and where the markets are and to strive for stability at a high level of production. We believe there should be intensified technical research in housing to bring costs down and open up new markets. And to the extent that federal stimulus and assistance is needed in these

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Secret Ballot and Soldier Vote

It is nobody's business how a citizen votes; advocate of secrecy protests tendency to set armed forces apart and reveal their preferences on candidates and issues.

By RICHARD C. SPENCER*

ABSENTEE voting in general, and for military personnel in particular, is still in the experimental stage, and some features warrant review on the basis of democratic principles. The general account of soldier voting is being presented to the public from several sources¹ but attention may be called here to the principle of secrecy of the vote in a democratic system, which was highlighted but not entirely satisfied in the voting by members of the military services in the 1944 election.

*Dr. Spencer is a specialist on state and local governmental organization in the Governments Division of the Bureau of the Census. Previous to 1942 he was an analyst of local government finance with the Work Projects Administration and was professor of political science at Western Reserve University and the University of Cincinnati. He is author of *Topical Index to National Constitutions*, of various articles on American and foreign governments, and of a number of Census Bureau reports on state and local government, finance and elections.

The views expressed in this article are those of the author in his private capacity as a student of government and not necessarily as a member of the staff of the Bureau of Census.

¹The number of Army and Navy votes cast in the several states has been reported upon by the Bureau of the Census; the problems of administration, of transportation of applications and ballots, and of transmission of information, have been reported to Congress by the United States War Ballot Commission; and a general description is being published by the Council of State Governments in the *Book of the States*.

In the adoption of the secret ballot as a means of preventing intimidation and attendant corruption at the polls, democracy espoused the principle, at least by implication, that an elector's motives and preferences as an individual and at the time of balloting are his own and no one else's affair. The motives might be, as John Stuart Mill insisted when he opposed the secret vote, "from lucre, from malice, from pique, from personal rivalry, even from the interests or prejudices of class or sect." Neither worthy nor sordid motives, however, are intended to be subject to official revelation, except that fraudulent and coercive activities are subject to judicial examination and punishment.

Wartime makes for absenteeism on a larger scale than usual by persons who are involuntarily away from home and who, involuntarily also, are members of an identifiable group. The numbers absent are, of course, fewer from some precincts than from others, a factor of some importance in the matter of secrecy. The problems of secrecy in absentee voting are: first, preservation of the secrecy of the individual absentee's ballot choices from the eyes of inordinately interested election officials and partisan watchers; and, second, preservation of group anonymity for voting members of an important but politically unorganized category of voters.

The problem of secrecy for the individual voter's preferences may arise with any absentee voter, soldier or civilian. Even in wartime voting relatively few voters in any one precinct may be away from home and exercise their franchise at any one election, so that any difference, however slight, in the appearance or feel of the ballot is likely to tell precinct workers of one or another party organization how so-and-so voted for president, for governor, senator, mayor or justice of the peace.

Secrecy of Individual Preferences

If the ballot of an absentee can be easily recognized, even though it does not tell exactly how Mr. Jones or Corporal Smith voted, it may often reveal enough that the wife of an uneasy ward leader, in a precinct where the niceties of democratic etiquette are not too clear, may let Jones's wife or Smith's mother know that the warmth of neighborhood political cordiality can be chilled by a wavering party loyalty. If the customary friendliness is hooked up through a cousin's position at the courthouse and a brother's job with a paving contractor, the slightest chill may be serious.

No problem arises if ballots of absentees are indistinguishable in the count from others, and if ordinary precautions are taken in the polling place against sly scanning of a ballot during the process of identification. Thus some states provide that absentee ballots must be received on or before election day and be deposited in the ballot box along with those of attending voters. All ballots are thus counted at the same time with no

necessity of a separate count of soldier votes.

The counting must, of course, be done all at once after the polls have closed, as is the usual practice, or there would be no assurance that all votes counted late would be kept secret. The existence of a board of judges and clerks for counting ballots, separate from the board which has been in charge during the day, avoids the possibility of polling officials remembering the ballots of particular voters by the mode of folding or by some slight defacement.

The possibility of revealing an absentee voter's choices does arise, however, if the ballot is at all easily identifiable in the counting. If it is printed on a different grade or color of paper or in different size letters from regular ballots, the voters can be known as a group, if not individually. These differentiations occurred in various states in the 1944 elections. Some absentee ballots were stamped or printed in a way to indicate "absentee voter" or "military ballot." In such cases, in those precincts in which only one absentee voter sent in a ballot, officials counting the ballots and witnesses present are almost certain to remember that voter.

The likelihood of revealing how Private Johnson voted need not in some areas be confined to the precinct. In one county, in fact, where but a single military ballot was cast in the 1944 general election, the publication of the vote tabulation in the county seat newspaper revealed to those who knew from whom the vote was received exactly how that

particular absent voter marked his choices, office by office.

Secrecy of Group Preferences

The second problem is one of anonymity of a non-political group versus group identification. During time of war, or when temporary migrations occur, groups of voters of a class may be identified if the counting of absentee ballots is conducted and recorded separately from other ballots.

If these groups of absentee voters were organized as political parties in support of definite candidacies or programs, they would be subject to the reporting of their political strength, primarily through the votes polled by their candidates, for the purpose of organization responsibility to the public as a whole. But absentees are individual voters, politically unorganized, and to identify them as a group is but to focus upon them unwarrantedly the attention of strongly interested and powerfully influential partisans. Even though suspicion of group pressure may be unfounded, the favor-dispensing mindedness of the political public is inclined to attribute pressure tactics to the chief executive as well as to local partisan leaders, and to charge political subservience to those not in position to answer for themselves.

Although no ballots were voted after election day, the fact that in 1944 eight states permitted the receipt and count of military ballots from one day to three weeks after the election emphasized the possibility of delayed election decisions and accordingly, the character of military voting. Four states published sepa-

rate statewide party counts of absentee ballots, and a number of counties in other states likewise kept a separate tally. In four states—California, Maryland, New York and Pennsylvania—military votes averaged three to two for the Democratic presidential candidate.

As it turned out, the election was not close enough for the military vote to play a decisive role in the election of president, but it was a factor of significance in several areas. "Soldiers' Votes Defeated Dewey in New Jersey," read one metropolitan newspaper headline, "after the civilian balloting had given him a small majority." The published report for that state, does not give the breakdown of figures, but the separateness of the count naturally was treated by the newspapers as legitimate information.

Because of the late and separate count of military ballots in Pennsylvania, the election for members of Congress was inconclusive in two districts until the soldier vote was counted nearly a month later. In Missouri, the civilian vote in the United States senatorial race and in that for representative in four Congressional districts was indecisive, so that the late count of military ballots was needed to complete the election.

Soldier votes were reported unofficially in New Jersey to have been cast in a ratio of four to one in favor of the proposed, but rejected, new constitution; and in Montgomery County, Maryland, in a ratio of three to two against a proposed and rejected county charter. Fortunately, in neither of these cases of high organi-

zational significance was the absentee military vote decisive, but if the results otherwise had been suspected of being close, might not the temptation have been strong on the part of some voting officials to scrutinize overzealously the "validity" of a block of votes strongly suspected of being "wrong"?

It may, incidentally, be of use to the political scientist to know the extent to which the discretion of absent voters, free from the influence of home campaigning, may be exercised differently from that of the folks at home—an item gleanable from the Maryland record of 1944—but the knowledge probably is not worth the price of group identification.

Secrecy Sometimes Difficult

The fact that the soldier vote went in larger measure to candidates of party A rather than of party B, whether at the county, state or national level, probably should not be considered as a soldier vote or even be separately known. Democratic dogma does not demand the separate counting and reporting of votes cast by Baptists, by lawyers, by members of the C. I. O., or even by adherents of the Democratic or Republican parties. A vote is a vote, if honestly cast and counted. The results should be swallowed up in the totals of all votes and, if such is the case, the soldier vote, strictly speaking, could not be claimed to turn an election.

Some exposure of the choices of a voter may be difficult to avoid, especially when the public is anxious to give soldiers every opportunity to exercise their franchise and when the delivery of their votes may be greatly

delayed by the exigencies of warfare rather than by the mere dilatoriness of the voter. The use of voting machines may add to the complications in some areas, but the problem of secrecy is not insoluble with them. How the group voted on different offices, however, need not in any case be separately tabulated or published.

The printing of a separate war ballot, either by the state or by the federal government, often in small precincts, makes possible the revelation of individual preferences. The federal war ballot, as a supplement to state ballots, is a great convenience to the soldier voter, especially since it may be delivered to him much more expeditiously than variously printed and timed state ballots, and often in far better condition in view of the potentialities of some humid climates to which ballots are sent and the hazards of wartime delivery otherwise. Central identification and counting of special war ballots, like the federal, could ordinarily thwart curiosity and prevent local precinct knowledge of how Private Johnson voted, but would not prevent a segregation of figures for similar ballots counted centrally, as for instance in a Congressional district or county seat. Nor would a central count avoid separate publication in the newspapers or in published documents of the state, whereby the soldier vote would be known as a group—so many for Candidate A and so many for Candidate B.

Insistence upon secrecy of the ballot does not, of course, imply secrecy of the fact of a soldier's having voted. Identifying and reporting upon the extent of soldier and other

absentee voter participation in an election provides the means of determining the effectiveness of this aspect of democracy and may point to remediable defects.

Safeguards to Honest Voting

Identification of the absent voter himself, whether he is in the fighting forces or not, is, of course, fully as important as identifying those who attend the polls in person. Comparison of identification on the ballot envelope with a voter's registration, or, lacking registration, the invitation to neighbors to challenge the validity of the would-be voter's envelope identification, is the only assurance against outrageous ballot-box stuffing.

The identification of the absentee voter, therefore, and probably the type of absentee, is necessary to the preservation of democratic voting, but the disclosure of an absentee's choices or of the choices of classes of absentees would seem to weaken that democratic base.

WANTED: 12 MILLION NEW HOUSES

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basic functions of housing research, we believe that it should be forthcoming.

We also identify a need for positive aids in the middle housing market. By extension of the mortgage insurance principle, we believe we could minimize marketing risks for builders entering this market and assure continuity of operations over a considerable period, which should be productive of lower costs. And by guaranteeing a minimum return to large institutions investing in rental housing, we might stimulate a volume of housing at lower rentals than have previously been available.

Finally, we believe that communities and the federal government should join forces to remove the scars of slums and blight by acquiring those land areas for redevelopment, operating on the basis of community plans and responsibility with federal assistance to the extent needed to remove the present barrier of high land costs.

I think there is general agreement that potentially we have the resources in terms of materials, manpower and background of technical skill and ingenuity to carry out successfully a full-scale postwar housing program. There remains then the job of effectively mobilizing and applying these resources.

Civic Vigilance

Today vigilance means not only an informed and interested citizen; if it is to matter, there must be some method for coordinating and combining the vigilance of many citizens. If the local government has been handed as a sort of concession to a political ring, which is quite possible, the vigilance of a few individual citizens is of no importance at all. The only vigilance that counts is organized vigilance.—BERRY FLEMING, in "We Want Good Government—Why Don't We Get It?", *Atlanta Journal*.

County Reform Run-Around

Legislators, in obedience to the whip of local boards of supervisors, safeguard their political futures by side-stepping Wisconsin proposals for constitutional amendment.

By EDWARD W. WEIDNER*

BY A vote of 61 to 31 the 1945 assembly of the state of Wisconsin defeated a proposal designed to make possible the adoption of optional forms of county government including the manager plan.

It was not a new proposal. The attempt to reform county government in the state is at least 25 years old and the most recent phase of the struggle has been going on during the last four legislative sessions. An examination and analysis of the latter reveal much of value to those determined to carry on the fight and may contain lessons applicable elsewhere.

The latest attempt to make county government efficient was a result of a state supreme court decision in 1934 which declared unconstitutional a 1921 law providing for the commission form of county government as an option to the supervisor system. Article IV, Section 23, of the state constitution stipulates: "The legislature shall establish but one system of town and county government, which shall be as nearly uniform as practicable." The court found that the commission plan was

a new and fundamentally different system, hence the option was violative of the first part of the clause. Furthermore the option made it possible for two counties with substantially similar conditions and needs to have materially and unnecessarily different systems of county government and this made the law conflict with the second part of Section 23.¹

The result has been that only one system of representation on county boards is in force in all Wisconsin counties except Milwaukee.² Each town of a county and each ward of a city elect a representative to the board, giving counties governing bodies of an unusually large size and, worse yet, a rotten borough system of representation. Legally, the legislature has complete freedom in designating the uniform system of county board representation, but politically the present system is the only possible one under existing constitutional provisions.

As the emphasis changed during the 1930's from the county commission to county manager form of government, Wisconsin citizens found

*Mr. Weidner has spent the summer with the Bureau of the Census, aiding in a study of county government. He was formerly research associate of the National Municipal League and instructor in political science at the University of Wisconsin. He is now teaching at the University of Minnesota, where he is completing his work toward a doctorate.

¹*Adams, State ex rel., v. Radcliffe*, 216 Wis. 356.

²Milwaukee has been exempted from the uniform plan. The court upheld such exemption because it felt that under Article IV, Section 23, somewhat different legislation was justified in a populous county. *State ex rel. Scanlan v. Archibald*, 146 Wis. 363; 131 N. W. 895 (1911).

that another constitutional passage, Article VI, Section 4, blocked progress. It provides in part: "Sheriffs, coroners, register of deeds, district attorneys, and all other county officers except judicial officers, shall be chosen by the electors of the respective counties once in every two years." Although this clause does not prevent an elected county officer from exercising over-all managerial powers or the county board from appointing a county manager, to the extent that it requires independently elective officers it seriously limits the advantages of the manager plan.

Attempt at Revision

Under the leadership of the late Professor George S. Wehrwein, well known land economist of the University of Wisconsin, and Assemblyman Palmer F. Daus, and with the support of the Wisconsin League of Women Voters and the City Club of Milwaukee, an attempt was launched shortly after the 1934 court decision to amend the two clauses of the constitution which stood in the way of the optional adoption of the county manager plan. This was no small task, since a proposed constitutional amendment must be passed by two consecutive legislatures and then approved by the voters in a referendum.

The immediate result has been that of defeat. Resolutions providing for such amendments were introduced by Representative Daus and passed in the legislatures of 1939 and 1943 only to be defeated two years later in each case. This dual legislative record of passage and defeat means that a substantial number of legislators voted for the proposal one

session and voted against it the next. Excluding changes in legislative membership, 29 of the 100 members of the assembly switched votes in the 1939 and 1941 sessions while 28 followed the practice in 1943 and 1945. The resolution would have passed both the 1941 and 1945 assemblies if those who had favored it two years previously had not changed their votes.

Explaining vote-switching, some contend that by passing the measure the first time by a fairly comfortable margin the proponents of the measure may be put to sleep, making the task of killing the measure more simple. Whether this idea actually motivated a large number of legislators is difficult to say, but no overconfidence prevailed among reformers.

More basic, perhaps, is the double voting record which vote-switching permits. The legislator can please both sides and at the same time vote the way he really wants to when the chips are down. The ayes which the proposal has received in the first sessions have been in part votes lightly given and easily withdrawn.

An examination of the voting record of Wisconsin legislators reveals that political party seems to have been quite influential in determining votes. In 1943 a small bloc in each house, which on several test votes consistently opposed the measure, was made up of a majority of Republicans. Democrats and Progressives were in the majority in similar favoring groups. In the 1945 assembly Republicans opposed the proposal 58-13 while the Democrats and Progressives supported it 14-3 and 5-1.

Many persons have suggested to

Assemblyman Daugs and the League of Women Voters that since Mr. Daugs is an independent Democrat there ought to be at least one Republican to co-sponsor the measure. Among the reformers there has been a tendency to discount such suggestions. They point to the fact that the assembly speaker and the majority floor leader, both Republicans, voted with them this year, and the Democratic floor leader, from suburban Milwaukee, voted against the proposal. Also it is argued that the proposal is a nonpartisan one.

While these facts may be true, in interviewing some of the legislators the writer was told that the argument was privately used that the proposal had the name of a Democrat attached to it and consequently that party would get credit for it. The Democrats were the only party to have a plank in their 1944 platform favoring the resolution although the Republicans had approved it in 1942. The extent of the partisan split on the proposal cannot be entirely explained by the fact that the present minority members tend to come from urban areas.

The geographical division of votes in the 1943 and 1945 legislatures was marked. Almost to a man the legislators from suburban Milwaukee opposed the plan. Prominent in the 1943 small favoring bloc in each house were those from urban areas—Milwaukee City or Dane County (Madison).

The rural-urban-suburban division over the matter can be exemplified by the division of newspaper opinion. Very few of the 48 dailies in the state opposed the plan; while several

took no stand, the writer was able to find only two which were actually in opposition in 1945, the Green Bay and Monroe papers. Important support for the proposal came from the two Milwaukee papers, the two Madison papers, and the dailies of such cities as La Crosse, Antigo, Rhineland, Janesville, Beloit, Stevens Point and Marinette. The extensive rural weekly press of the state carries little state news as a rule and the Daugs resolution was no exception. There are few editorials on any subject in this press; but excepting those in the Milwaukee suburban area, the majority of the few weeklies that editorialized on the subject supported the proposal.

Opposition from Suburbs

The suburban Milwaukee opposition to the resolution is well exemplified by the weekly *Cudahy Enterprise*. In an editorial entitled "Old Mother Milwaukee," it said:

"The Daugs resolution . . . would virtually put control of the suburbs in the old lady's hands because it would allow her to eventually take over the police, fire, street, legal and other operational departments of the suburbs, leaving the communities self-governing in name only."

Actually, the proposal would have done no such thing. It would have permitted the legislature to establish optional forms of county government, but such an optional form could not have been submitted to the voters of a county without the approval of the existing board of supervisors. Evidently the Milwaukee suburbs were afraid that this would happen in that county and that a new representation plan would lessen

their power on the county governing body. Probably more significant was the fact that over a long period of years there has been a bitter emotional struggle between Milwaukee and its suburbs which is encouraged in every possible way by the latter's leaders and lobbyists.

Milwaukee-Suburb Fight

Citizens from Milwaukee County took a disproportionate amount of time at legislative hearings on the Daus bill. Most state legislators are tired of hearing about the continuing Milwaukee-suburbs fight, and this may have reacted against the proposal. Some legislators came to think of it as a Milwaukee problem. An analysis of those appearing at the 1945 assembly committee hearing reveals that five of the nine appearing against the resolution were from Milwaukee suburbs and two were from associations of county officials. Those appearing for it were Daus himself, two rural Republican assemblymen, three representatives of women's organizations, two representatives from the Milwaukee City Club, and a member of the Rock County (Janesville, Beloit) Board of Supervisors.

Even the strong support given the measure by the *Milwaukee Journal* and City Club may have been a handicap, some of the proponents felt. Certainly another time they should try to see that the Milwaukee situation does not dominate the issue.

There was little significant geographical division of opinion outside Milwaukee County with the possible exception of Dane County.

The only newspaper in the state that showed an interest in the county

manager plan as such was the daily of Janesville, and a legislative supporter of the plan pointed out to the writer that the more one mentioned county managers the less votes the proposal would get. There is still much opposition in Wisconsin to the county manager plan and even the commission plan as dictatorial.

The main argument of most of the daily and weekly press which supported the Daus resolution is aptly summarized in the title of the weekly of Jefferson County, the *County Union* (incidentally, a Republican newspaper in Daus' home county), which read "An Assembly Without Faith in the People." The character of the opposition is well revealed by part of it:

Assemblyman Elmer Genzmer of Mayville, who led the successful fight to defeat the resolution, revealed a strange lack of concern over its merits. Genzmer fought the resolution with a frenzied, impassioned appeal which implied at least that the state constitution is a divinely inspired instrument, and even the suggestion of alteration is sacrilege.

The constitution is "the only safeguard this state and the United States ever had," he shouted. "The greatest tyrants in history yelled 'let the people decide!' We don't want this sniping at our constitution." He assailed newspapers for their support of the resolution and declared that Italy and Germany had "the kind of efficiency this bill proposes."

No less ridiculous was Genzmer's choice piece of logic: "Nobody appeared in favor of it except a guy from Milwaukee . . . and a couple of babes from out there on the lake." The "babes" he referred to were representatives from the Wisconsin League of Women Voters.

In general the newspapers favorable to the reform proposal cited the diversity of conditions in counties in Wisconsin and the desirability of letting the people have a choice in choosing their form of county government and of passing on the constitutional amendment. Significantly, perhaps, the opponents of the measure never said much about the value of the uniformity clause as such.

Despite support from many of the state's dailies, the basic characteristics of the rest of the state, urban and rural, and of Dane and Milwaukee Counties as well, were the misunderstanding, lack of information and inertia of the people. Most persons did not know the resolution was before the legislature and of those who did many had weird ideas of what it contained. Many believed that the proposal would automatically eliminate the supervisor system and much of suburban Milwaukee thinks that it means city-suburban consolidation.

Women Lead Campaign

Up to now the Wisconsin League of Women Voters has been the principal statewide source of propaganda for the county reform measure besides the newspapers which have given it their support. The League has had radio programs and issued fliers, and the many local leagues have interviewed their county supervisors and state legislators, held meetings, campaigned at county fairs, and distributed literature. Members of the league have attempted, without much success, to interview members of the opposition such as those from the Wisconsin County Boards Association and Milwaukee suburbs.

Most of those appearing at legislative hearings on the proposal have done so largely at league instigation. There have been some disappointments on this score; for instance, the Wisconsin Taxpayers Alliance has refused to support actively the Daugs resolution before the legislature.

Although the League of Women Voters has done much to promote the modernization of county government in Wisconsin, some advocates feel that they have been too prominently associated with it for the good of the proposal. Legislators, particularly those from rural areas, resent groups such as the league and consider them theorists who do not understand the "practical aspects" of politics.

While perhaps the point is over-made, there is a danger to any reform proposal in having it associated too strongly with one group. Yet of the 32 legislators who were favorable to the proposal in 1945 (31 votes and one pair), 26 were from counties in which there were local leagues.

The prestige of the existing system of Wisconsin county government among the people is one reason change comes so slowly, but more important is the influence which the existing system exerts on the state legislature. The point is not so much that many members have been or are county or town officeholders. It is the balance of political power in the vast rural part of the state which is much affected by the present system of county government. County board members, elected by towns and wards, have political control in their districts or they wouldn't hold their positions. Legislative districts

are made up of a series of these town districts; consequently, many legislators feel it would be political suicide for them to "threaten" the position of the county board by voting favorably on the Daug's resolution.

As has been pointed out, the threat was small inasmuch as the county board concerned would have to approve of any change made. But the boards heartily disapproved of the measure nevertheless as is evidenced by the poll of the 71 county boards taken by their association. Of 44 which replied, 40 opposed and four favored the reform. It is well to remember that a legislator cannot be a statesman if he is not in office.

Supervisors Opposed

Although over a period of years the County Boards Association has been fair in presenting both sides of the issue in its publication, *Wisconsin Counties*, before the legislature it has used every means at its disposal to attack the Daug's resolution and defend the desirability of the *status quo*, that is, strict constitutional uniformity. Thus we have an organization of public officials, supported by public money, largely responsible for the defeat of a proposal to give the people a chance to vote on an amendment which in turn would give county voters a chance to choose an alternative form of government if they first secured the approval of the county board.

The writer was told that privately the County Boards Association was afraid that different types of county boards would form their own association, so that the present association would lose power and influence.

In any event, it would seem that

a poll of county boards no matter on what subject has great influence on the state legislature. In the words of the *Milwaukee Journal*, "To safeguard their own political futures," legislators "act as the county boards instruct." In the future advocates of county improvement must concentrate more on their respective counties.

There is disagreement among its supporters as to whether the proposed resolution should repeal both the uniformity clause (affecting the composition of the county boards, largely) and the clause requiring certain elective county officers. Assembly supporters of the resolution have favored the inclusion of both clauses, Senate supporters just the clause referring to the uniformity feature, and opponents in each house have taken the opposite stand! The same division of opinion on strategy is found outside the legislature.

Some feel that no proposal has a chance to pass if both provisions are included while others hold that in order to do the job right—that is, in order to make possible a county manager system—both provisions are necessary. The difference in strategy among the opponents seems to be that some senators in this group feel that if both clauses are included it will be defeated because elective county officers, in addition to county board members, will object while some assemblymen feel that anything done to emasculate the proposal—eliminating one of the provisions, or weakening it by further restrictions in adoption procedures—is all to the good.

All of which leads to the question as to how much compromise is necessary or desirable. This problem is interrelated with another—how much are inertia, misunderstanding and lack of information being mitigated. If everyone is quite completely informed and yet no majority for the reform proposal is possible, compromise would be desirable. But if an education program could get a majority to back the present proposal, that would be the obvious choice. It appears to the writer that the Wisconsin situation is largely the latter. Some compromises have already been made. The county board must first approve the local change; district attorneys have been exempt from the list of officers which could be made appointive.

The two principal opponents of the plan, the County Boards Association and suburban Milwaukee, would not be satisfied with any plan which would make possible changed representation on a county board. They are both staunch defenders of the rotten borough system.

A careful analysis of *Wisconsin Counties* reveals that the only reform proposal which has had any appeal to the editors of the County Boards Association magazine is one made by Charles D. Rosa. His views have been printed three or four times in substantially the same form and he has talked more than once before the organization's annual meetings. It is well to note, therefore, that, substantially, the Rosa proposal is to superimpose a county manager on the existing county government framework. All county employees except constitutional county officers and

their employees would be under his direct control.

County boards already have power to appoint county auditors with wide powers which might be strengthened to make them managers. Yet in practice in many counties such an officer has not fitted into the picture well—he has tended to come into conflict with the county clerk who also has important financial powers and who is auditor if none is appointed by the board. It might well be asked whether a county manager might not also come into conflict with the clerk, especially in view of the facts revealed by L. H. Adolfson in his study of the county clerk.³

Joint Committee Provided

With the thought in mind of keeping the issue before the people and of trying to work out something which would be agreeable to all concerned after the defeat of the amendment this spring, Assemblyman Daugs invited representatives of the League of Women Voters, the Milwaukee City Club and the Wisconsin County Boards Association to a meeting at which all agreed that the establishment of a joint interim committee to study county government in Wisconsin was desirable. Such a resolution was, accordingly, introduced and passed. It provides for a committee of thirteen—three senators, five assemblymen and five citizens, the latter appointed by the governor. The committee may investigate and study "any matter or question relating to county government that it deems advisable." The

(Continued on Page 400)

³See the REVIEW, March 1945, p. 125.

'Non-Profit Inc.' in Public Power

Expert, discussing purchase of properties ordered sold by SEC pending later acquisition by cities, points out dangers, suggests program to protect public interest.

By JOHN BAUER*

AN ASSOCIATED Press story on July 6, 1945, furnished the occasion for a country-wide publicity flare-up regarding a recent utility development which was characterized by Congressman Lyle H. Boren of Oklahoma as "Swindle, Inc.," but which I shall present as "Non-Profit, Inc.," without any moral implications.

Non-Profit, Inc., has been devised as an intermediate step in the purchase of a utility by a city or other suitably organized public body. It consists of a group of local business and professional men, incorporated for the purpose of negotiating for the purchase of the common stock of the operating company and, upon acquisition, controlling the company. It serves as an intermediary until legal ownership of the stock or the physical properties of the utility can be transferred to the proper public authority. There is no profit to the special group in connection with any part of the transaction.

Congressman Boren was particularly concerned with a federal tax problem. He pointed out that in 1944 the electric utilities paid \$468,-

000,000 to the government, that these non-profit corporations would not be subject to such tax, and that this saving would support nearly \$16,000,000,000 of 3 per cent bonds or \$23,000,000,000 of 2 per cent bonds issued to acquire control of the properties. The consumers would pay interest on the bonds instead of taxes to the government.¹

The purpose of this article, however, is not to give currency to Congressman Boren's charges but to present and discuss Non-Profit, Inc., in relation to a reasonable municipal policy for the acquisition of electric utilities.

General Background

Under the Federal Holding Company Act of 1935, administered by the Securities and Exchange Commission, every holding company system is required to dispose of its control over all subsidiary companies whose properties together do not constitute an integrated service territory. In a few cases sale has been made to cities or other public bodies. While there has been extensive consideration of municipal acquisition, actual purchase has encountered almost insuperable obstacles.

The ordinary city is frequently

*Dr. Bauer, director of the American Public Utilities Bureau, is well known to readers of the REVIEW. He has been consultant to many state and local governments on utility problems and has made utility surveys for Boston, Pittsburgh, Louisville and other cities. Dr. Bauer is author of numerous books and articles on public utilities.

¹If there is a hole in the federal laws which permits legal tax evasion through Non-Profit, Inc., it can be easily closed. All that is needed, it seems to me, is to limit tax exemption to actual public ownership and operation.

confronted with a lack of adequate legal powers to take over the properties at reasonable prices. If it does have the right to purchase, it is usually subject to negotiation as to price, and naturally the private owners will hold out for an amount predicated mainly on the company's earning power at existing rates as well as on savings that would be realized through municipalization. Divestment may be effected in a variety of ways, and sale to the city follows only if that proves to be most advantageous for the holding company group.

Under these circumstances the attainable price is usually much higher than the city would be warranted in paying. Unless it has power to take over the properties through condemnation proceedings or has available special means to support its bargaining power—such as rate reductions or special franchise restrictions—it is likely to be balked in its efforts to acquire the properties or the stock at a reasonable price.

But even where a satisfactory purchase can be reached by agreement or condemnation, a city may be stymied by restrictions on financing. In the face of a constitutional debt limit it would usually be prevented from issuing general credit bonds even if immediately upon acquisition it would make the properties self-sustaining. In such a situation it should be able to issue revenue bonds as an appropriate means of financing, but it cannot do so unless it has been authorized by legislative action, and generally it has no such authority.

The "non-profit" corporation has been developed, therefore, to meet the

complications that hamper direct and immediate municipal acquisition of utility properties at their reasonable service value.

Omaha Set-up

This type of interim organization apparently had its origin in Omaha, Nebraska, where for several years efforts had been made for the city or a special public body to take over the properties of the Nebraska Power Company, whose stock was owned by the American Power and Light Company, which in turn was controlled by Electric Bond and Share.

A variety of complications, cross-purposes, litigation and legislation ensued which will be passed in this account. While an attack was pending on the constitutionality of a statute creating a local public body to acquire the Nebraska Power properties, the Omaha Electric Committee, Inc., a non-profit corporation, was organized. It acquired the common stock of the operating company for about \$14,200,000. This amount, with the bonds, preferred stock and net liabilities, was equivalent to a total of \$44,000,000 for the entire properties.

The committee's financing was an involved affair, in that it had no funds and was not in position to issue its own securities to pay for the stock. An ingenious arrangement was worked out with the Consumers Public Power District of Nebraska, under which the company would lease its power plant facilities to the district, which would then furnish power to the company under a specified wholesale rate. The district, on the issuance of its own securities, provided over \$15,000,000 in the form of a

guarantee fund, out of which the purchase price was paid. The wholesale power rates were calculated to provide for the amortization of the fund over a period of about twelve years, leaving also a substantial operating profit for the district.

In this transaction, according to Congressman Boren, a certain financial expert obtained a fee upward of \$500,000, and the whole setup was regarded as tainted. While, of course, such an arrangement offers possibilities for manipulation, I doubt whether there was any crookedness on the part of the committee or others involved. I call in question, however, the reasonableness of the purchase price that would have to be supported by the community if the committee's plan is carried through. And, in general, I challenge Non-Profit, Inc., as a justified intermediary to public power or to public ownership of any utility.

Fair Purchase Price

The question is whether the purchase price paid by the Omaha Committee can be reasonably made good by the city or other public authority in following the intermediary to full public ownership and operation of the properties.

Naturally, a fair price should be paid for the properties upon public acquisition, and reasonable consideration should be given to all factors that enter into a fair determination. In general, this would consist of the "fair value" of the properties on which the company had been legally entitled to receive a return through the rates paid by consumers. The community should not be required to support a higher investment figure

upon public acquisition than under private ownership. While the make-up of such an amount may be subject to dispute, the basis approved by recent decisions of the United States Supreme Court, and applied generally by the Federal Power Commission, consists of the original cost of the properties used in service, less their depreciation for physical and functional causes, plus working capital. This equals the net unimpaired actual investment in the physical properties and other assets. It eliminates all plant write-ups and other past inflationary charges to the property accounts, and precludes the capitalization of excess earnings obtained under existing rates or savings that public ownership is expected to realize through financing, operation or avoidance of taxes.

What was the fair value of the Nebraska Power properties when control was obtained by the committee? According to the Federal Power Commission's annual publication of electric utility statistics, the company's reported total electric plant account, as of December 31, 1943, was \$40,681,000 and the stated depreciation reserve was \$5,339,000. The net plant investment as reported was thus \$35,342,000, compared with \$44,000,000 under the committee acquisition. By itself, this comparison leaves no very serious complaint against the purchase price.

But, according to the Federal Power Commission, the reported total plant cost of \$40,681,000 includes \$8,862,000 of write-ups and other charges in excess of the original cost of the properties which is thus reduced to \$31,819,000. Furthermore,

the depreciation reserve of \$5,339,000 comes to only 17 per cent of the original cost, and is palpably inadequate. This inadequacy follows a too low annual depreciation charge made to operating expenses during past years, thus showing correspondingly greater net earnings than were actually realized and thus supporting the inordinate dividends paid by the company.

The actual depreciation of the properties could not possibly be less than 30 per cent of the original cost. An important item that must have had an original cost of at least \$10,000,000, and which is almost totally depreciated, is the company's capacity. While this plant may have been in good physical condition for war-time operation, it is old and obsolete, and will be unfit for regular future electric generation. A new steam plant of like or greater capacity will be necessary unless this can be avoided through the contemplated Missouri Valley hydro development.

At 30 per cent total plant depreciation, the \$31,819,000 of original cost becomes \$22,273,000 of net plant investment. If to this amount is added a reasonable sum for working capital, and an adjustment to cover all other factors and uncertainties, I cannot see how the fair value for rate-making or public purchase could possibly exceed \$25,000,000, \$19,000,000 less than the committee's purchase price. That price certainly constitutes an overpayment that requires vigorous scrutiny by public authorities before they accept and freeze it into actual public acquisition of the properties.

In the light of these facts how could the committee agree to \$44,-

000,000? The answer is, earning power *at existing rates*, plus savings available through refinancing and otherwise.

For the year 1943 the operating revenues of the company amounted to \$10,420,000. Against this gross figure stood operating expenses of \$5,038,000, an allowance for depreciation of \$730,000, an amortization accrual of \$10,000, and taxes of \$1,937,000, or total revenue deductions of \$7,715,000. This leaves \$2,705,000 as reported operating income on the properties at prevailing rates. This figure probably furnished the controlling basis of the committee's calculation.

Capitalization of Existing Rates

On the basis of the reported operating figures, the company's return in 1943 was excessive by \$1,330,000, and a corresponding rate reduction was in order. If such a reduction had been made, the return at $5\frac{1}{2}$ per cent on \$25,000,000 would have been \$1,375,000. On a fair return basis, the committee's purchase price would have been utterly inconceivable. However, at the actual return as reported under the excessive rates, the price could be rationalized at the penalty of freezing in those rates. Against the return of \$2,705,000, as reported, there would be deducted just the \$1,080,000 for interest and the like, leaving \$1,625,000 for total dividends. From this total would be deducted \$499,000 for the dividends on \$7,500,000 preferred stock, leaving \$1,126,000 for common stock dividends and surplus. This would come to about 8 per cent on the \$14,200,000 paid for the stock. Even if the reported net is reduced by an

additional depreciation allowance of \$255,000, figuring 3 per cent on the original plant cost instead of slightly over 2.2 per cent provided by the company, there would still be available \$871,000 for the common stock. This would come to slightly over 6 per cent on the price paid for the stock, and would look like a warranted business deal—if the excessive rates were regarded as reasonable and if the level of 1943 war earnings were taken to be permanent.

The fact seems clear that the committee's purchase price was more or less directly predicated on the company's 1943 earnings, realized at prevailing excessive rates and under wartime business conditions. All this was capitalized directly into the purchase price. If the setup materializes in public ownership as planned, it has left only savings from recapitalization, operating overhead and taxes through which rates can be reduced or other public advantages attained.

Non Profit Inc. Elsewhere

The Omaha situation is more or less duplicated in every locality where company or property divestments are required under the Federal Holding Company Act. Naturally, each controlling company group seeks the most advantageous disposition. The new device, Non-Profit, Inc., offers itself as a practical intermediary to those who feel that public ownership is the answer to the utility problem. It appeals to business men and others who feel a responsibility for the community's welfare but ordinarily do not understand what is involved in utility valuation from the public viewpoint. They are likely to approve any pur-

chase price that is not obviously and flagrantly wrong.

According to Congressman Boren, Non-Profit, Inc., has been worked on extensively in other localities. He mentioned particularly Portland, Oregon, Seattle and Spokane, Washington, Louisville, Kentucky, and Cincinnati, Ohio. While I know none of the facts in these cities, in no instance can Non-Profit, Inc., acquire local properties unless it bids high enough and offers the most advantageous way of divestment for the holding company. It must inevitably freeze in the existing rates and capitalize more or less the prospective advantages of public ownership.

Washington Public Utility District

I have had considerable professional contact with Public Utility Districts (PUD's) in the state of Washington, where Non-Profit, Inc., is said to be at work. Regardless of possible dubious involvements, it has been subject to the inescapable conditions of purchasing on the basis of existing earning power and imposing excessive prices upon the PUD's or other public bodies if it should succeed in its plan.

Apparently, however, it is not succeeding because of the price obstacle. According to well informed opinion forwarded to me, it has caused a division in the PUD ranks, in both the legislative and practical efforts to establish direct public ownership, and it will probably not succeed in acquiring private properties even on an earnings-capitalization basis.

The fact seems to be that the companies do not want to sell, and they have been warding off the day of forced negotiated sale or condem-

nation by dealing with Non-Profit, Inc., and letting it give hope of favorable acquisition by the PUD's. By keeping it and the districts interested in the possibility of a favorable over-all purchase of the properties, they appear to have gained at least the following advantages:

- 1. Avoided a difficult legislative battle in the last session of the legislature against a proposed corrupt practices act aimed at such utility expenditures as were directed against the famous Initiative 25.

2. Held up rate regulation under conditions which were generally favorable, especially under the new available transformation and modernization of rate-making standards and procedures; when proper reductions should have been made for the purpose of facilitating sale at a reasonable price to the PUD's, they were headed off under the caution not to disturb the negotiations between Non-Profit, Inc., and the companies.

3. Obtained postponement of PUD condemnation actions.

4. Headed off a contemplated public power initiative.

5. Above all, gained time in holding back federal legislation to establish a Columbia Valley Authority, hoping after the war to become Bonneville's largest customers and so to neutralize its zeal in behalf of public power.

In the light of the foregoing account, it would appear that Non-Profit, Inc., cannot be utilized as a justified intermediary to outright public power organization. In my judgment, it should not be given recognition as a means for securing public ownership of power. As a self-constituted private group it arrogates to itself the public function of doing indirectly what a municipality or

other public body cannot do directly, i.e., the purchase of privately owned properties at a price predicated upon earning power based on excessive rates. If this cannot be justified directly by public officials, it should not be perpetrated indirectly, even though honestly and sincerely conceived and carried through.

A Municipal Program

But, if Non-Profit, Inc., is to be ruled out—and usually it rules itself out by the results—the question arises as to what municipalities or other public bodies should do to bring about reasonable utility conditions, especially to secure the lowest rates possible under proper organization and efficient management:

1. They should have a comprehensive survey made of the entire utility situation with which they are concerned for the purpose of establishing and carrying through the most advantageous program for the community, with full fairness toward all private interests affected. Such a survey should include not only electric power but all utilities serving the territory.

2. They should engage competent, public-minded and reliable experts, preferably from the outside, to make the survey, report and recommendations, and to assist throughout where experience and technical understanding are important for proper formulation and implementation of the program. They should pay sensible professional fees for such work without contingent arrangements which depend on outcome and which tend to divert attention from the public objective to ways of securing private

gains. In no part of the program should there be contingent compensation or other arrangements which bring self-interest in conflict with the public welfare. This applies to financing and legal fees as well as fees for the utility experts.

3. Where rates and earnings have been excessive, public authorities should proceed promptly to get proper reductions. Furthermore, they can now get transformation in the state regulatory standards and procedure, so that rates can be systematically controlled to bring a fair return and no more, with equal protection of public and private rights. Reasonable rates will eliminate the possibility of capitalizing against the public existing earning power resulting from excessive rates. Proper rate control under private ownership has greater public advantage than public ownership based on a purchase price which freezes existing high rates.

4. For acquisition of privately owned properties, authorities should deal directly with the company concerned, without Non-Profit, Inc., as an intermediary, but with the assistance of experts, as already outlined. They should be free to negotiate for the purchase or to take the properties through condemnation. They should be unhampered in their dealings and procedure, but they should not force the price below the fair service value of the properties, even in the face of provocation and though there have been past excessive earnings.

5. If Non-Profit, Inc., has already intervened, public authorities should by-pass its arrangements if not justified from the public viewpoint. They

are not bound by its price agreement or contracts involved in its organization and financing unless prior fixed commitments have been made.

6. If they have not adequate legal powers to acquire, organize and finance utility properties on a basis which warrants public ownership, authorities should demand appropriate legislation or even constitutional amendment. First, they should be able to condemn the properties under standards and procedures which will duly protect private rights but which will preclude unnecessary delays and provide a competent agency to fix valuation. Second, they should be empowered to issue either revenue or general credit bonds to finance acquisition, also subsequent extension and enlargement of the plant, subject to financially self-sustaining operation, with adequate safeguards for interest payments and amortization. Such legislation can be obtained if public authorities insist and use available and justified pressure. They should strive for concerted effort among the municipalities, especially joint action through the state municipal league. They should get the support of all public-minded groups and individuals, with their compounded impact upon the legislature. A sound policy and program, vigorously and intelligently pursued, can be attained. If rates have been properly reduced, public ownership can afford to wait until it can be sensibly established with actual advantage to the public.

7. Besides acquisition of the private properties, public authorities should provide for proper organization and management to assure efficiency and economy. Important

matters are form of organization, selection of managerial officials, adoption of personnel standards, financial and operating policies, accounts and records, fixing of rates, territory covered, etc.

I submit, that if public authorities observe the foregoing seven points they can get decent utility conditions for their localities. They will not need Non-Profit, Inc., in developing and carrying through their program of action. If they do deal with Non-Profit, Inc., they will do so mainly because of inadequate comprehension of what is involved. Honest and public-minded people can be emotionally entrapped by the idea of public ownership without critical scrutiny of a particular situation. Competent survey of conditions, needs and relative advantages and alternatives, is the prerequisite of reasonable public policy and action.

COUNTY REFORM RUN- AROUND

(Continued from Page 392)
committee may not be able to compromise divergent viewpoints, but it will at least focus publicity on county government needs.

Neither the League of Women Voters nor State Representative Daugs has become discouraged about the temporary failure of county reform in Wisconsin. The campaign will continue until successful. It will take at least five more years, however, before any constitutional change can be made, since both the 1947 and 1949 legislatures must approve an amending resolution, and then it must be submitted to popular referendum. The trend of votes in the legislature the last four sessions, while not too conclusive, does indicate some support has been gained for the proposal since it was first introduced in 1939. At least the minority which is not afraid to support the measure when its votes count the most is growing.

Encouraging are the letters which Representative Daugs received this year after the defeat of the proposal. Belated action by certain CIO and Chamber of Commerce groups, revealed in the letters, indicates that widespread support may be forthcoming for the next attempt. The awakening of the citizens is a difficult, but not an impossible, task.

Defining 'Politician'

The trouble with some of us is that perhaps we have used too harsh terms in describing this professional politician. Perhaps some one should coin a new word to describe the politician who is able, competent, honest and qualified. That would be much easier than to try to reform some of the people now known as politicians in our country. Something should be done to identify and classify the two kinds of politicians and to get a new name for either one or the other.

—F. H. LaGUARDIA, Mayor of New York City.

News in Review

City, State and Nation

Edited by H. M. Olmsted

War's End Spurs Reconversion Efforts

*Federal, State, Local
Governments Put to Test*

THE END of organized hostilities, which came with Congress in adjournment without having adopted comprehensive and coordinated plans to meet unemployment and the reconversion lag, has brought about some rapid efforts of national and state administrations to overcome these problems and to encourage prosperity in peace as well as in war. Activities of certain Congressional committees have been renewed pending the reconvening of the entire body earlier than planned.

The Senate Banking and Currency Committee began hearings August 21 on the so-called full employment bill, containing a proposal for a national budget to correlate federal capital expenditures with the private employment situation. The Senate Finance Committee undertook to hold hearings beginning August 29 on President Truman's request for immediate extension of federal unemployment insurance to a limit of 26 weeks at \$25 a week.

One of the first impulses of people and government was to do away with war-created controls, some of which were hastily removed without apparent proof that the need for them had immediately vanished.

The public works program for utilizing discharged war workers, service men and others to create public assets awaited Congressional action to declare at an end the war emergency restricting such expenditures, and to de-

termine policy as to grants. The national highway plans, involving federal expenditures authorized in the amount of \$1,000,000,000 annually, to be matched by the states, needed the word from Congress to proceed.

In the municipal field the leading example was New York City, with its program for a possible expenditure of \$1,250,000,000, of which 28 per cent was fully planned and 50 per cent partially planned, but which was largely predicated on federal grants not yet authorized. Mayor LaGuardia, on August 19, declared that although a public works program is not a complete formula for prevention of widespread idleness among former war workers and service men, it is the only stopgap against unemployment on a disastrous scale.

On August 18 the Federal Works Agency directed the suspension of all projects financed entirely by federal money and not yet actually under construction, and the rescinding of allotments for other projects, partly financed by federal funds, where contracts have not yet been approved. This curtailment was because of lack of authorization for reconversion measures as against activities to meet war needs. Work under way may go forward if the need for the facility concerned can be shown still to exist, and allotments will be made until October 31 on already approved projects for general hospitals, recreation for service men, schools and miscellaneous municipal service projects. The FWA's Bureau of Community Facilities is enlarging its planning program to help state and local governments to draft programs for needed public works.

Relaxation of controls of the War Production Board over steel, copper and aluminum freed huge quantities of those materials for civilian uses. Federal Construction Coordinator Hugh Potter predicted that despite shortages of

lumber and other building materials, 500,000 dwelling units would be built in 1946 and a million a year thereafter for a decade.

New York Plans

Governor Dewey of New York announced on August 19 the creation of the Governor's Reconversion Service Agency, consisting of the heads of the state departments of commerce, public works and labor, to aid business in reconversion and expansion. Its functions include liaison between federal agencies and manufacturers in connection with release of materials and information on price control and other policies; the providing of information on equipment and materials, skilled manpower, industrial space and markets, in the various parts of the state, and also on new processes and products and on opportunities to establish small businesses. It is to make the services of the state government directly available to the business community for rapid reconversion.

This action followed by a day the release of a report of M. P. Catherwood, New York Commissioner of Commerce, outlining his department's efforts in aid of business, analyzing the employment situation in the state, predicting bright economic prospects and asserting the absence of a definite reconversion policy in the federal government.

On the same day, August 18, President Truman issued his executive order on reconversion, to mobilize federal resources so as to promote a swift and orderly transition to a peacetime economy and to assure general stability of prices and costs and the maintenance of purchasing power. The declared policy is to assist in conversion of plants and facilities, public and private; to make materials and supplies available for peacetime production; to provide job placement assistance to war workers and veterans; to prevent

either inflation or deflation; and to remove price, wage, production and other controls where the stability of the economy is not endangered.

Georgia Voters Adopt New Constitution

At a popular referendum on August 7 Georgia voters approved the new constitution¹ that had been drafted by a commission of 23 members last year and accepted by the 1945 legislature. It carried by approximately two to one in a comparatively light vote. The commission, provided by the 1943 legislature, included members of that body, high court judges, state officials and representative citizens. Its work supersedes the 1877 constitution and its amendments, many of which were completely obsolete.

Governor Ellis Arnall made a vigorous statewide campaign for the document. One of the leading opponents was former Governor Gene Talmadge. Some fifty changes were pointed out by Governor Arnall, who classified them in four categories:

1. *Correction of abuses in the political system of the state.* Among these are the constitutional elimination of the poll tax (abolished by statute earlier in the year), establishment of a uniform literacy test for voters, and termination of tax exemption to favored corporations.

2. *Promotion of efficiency in state government:* including a supreme court of seven members instead of six (avoiding tie votes), a state budget system, abolition of the system of allocated state revenue, creation of a constitutional board of corrections, and authorization of merit and retirement systems for state employees, etc.

3. *Municipal and county provisions:*

¹See the REVIEW, February 1945, p. 80, and May 1945, p. 238; See also pp. 374 and 420, this issue.

among them a mandate to the legislature to provide optional forms of home rule for adoption or rejection by cities and counties, authorization for local zoning ordinances, and permission to political subdivisions to contract for exchange of services.

4. *Safeguards for the constitution:* prohibition against veto of amendments by the governor, and the requirement that any future constitution must be submitted to popular vote.

Certain criticisms have come from enlightened and friendly sources such as the League of Women Voters, including lack of redistricting for the legislature or of reduction in the number of counties, a longer instead of a short ballot (two more elected administrators are included), and omission of regulations for primary elections.

All States Now Have Veterans' Affairs Offices

New state veterans' agencies were created, or existing bureaus reorganized into state veterans offices, by legislatures of fifteen states this year, according to the Council of State Governments. This action, with that of other states in 1944 and 1943, now enables all 48 states to give active assistance in the handling of veterans' affairs.

Many municipalities have installed offices or bureaus for information or assistance to veterans, notable examples being Detroit, Colorado Springs and Yonkers.

Women Jurors Permitted in 30 States

Legislation permitting women to serve on juries in Arizona and Colorado, enacted this year, increases to 30 the number of states granting women the right to such service, the Council of State Governments reports.

In sixteen of the 30 states, jury serv-

ice is compulsory for women as well as men: California, Connecticut, Illinois, Indiana, Iowa, Kentucky, Maine, Michigan, Minnesota, Montana, Nebraska, Nevada, New Jersey, Ohio, Pennsylvania and Vermont.

In the other fourteen states women are permitted to serve on juries, but may decline under certain exemptions: Arizona, Arkansas, Colorado, Delaware, Idaho, Kansas, Louisiana, New York, North Dakota, Oregon, Rhode Island, Utah, Washington and Wisconsin. Alaska and the District of Columbia also are in this category.

Interim Committee Studies Wisconsin Pension Plans

Various bills affecting public pension and retirement systems in Wisconsin have been under consideration by an interim committee created by the legislature prior to its adjournment in June, according to Frederick N. Mac-Millin, executive secretary of the League of Wisconsin Municipalities. The committee was charged with the task of investigating the various pension and retirement plans of the state—thirteen or more in number—and the advisability of their prospective consolidation. It consists of two senators, three assemblymen, an insurance actuary appointed by the insurance commissioner, and an attorney designated by the attorney-general from his department.

The legislature enacted a law (Chapter 156, Laws of 1945) permitting counties, school districts, sewerage districts and townships of over 10,000 population to come under the Wisconsin municipal retirement fund.

Early in the year the commissioner of insurance made a report to the assembly, pursuant to resolution, on certain fire and police pension systems of various cities and villages made mandatory by the legislature in past years and now claimed to be reaching the

point where tremendous deficits have accumulated. This indicated that to make the funds ultimately solvent the total contributions made by municipalities must be much larger, if benefits and employees' contributions (3½ per cent of salary) are to remain as presently provided by law.

Indiana Considers Voting at Eighteen

A resolution seeking to amend the Indiana constitution to lower the voting age to eighteen years at primary and general elections has been signed by the governor, according to the Council of State Governments. The resolution must be adopted by the next legislature and then be submitted to the voters.

Cooperative Inspection of Surplus War Property

The National Institute of Governmental Purchasing, Washington, D. C., has developed a cooperative inspection service. A member purchasing agency interested in purchasing surplus war materials at a distant point may arrange for an inspection and report by another member agency near the location of the material through Institute headquarters.

Legislative Research Bureau Created in Indiana

The 1945 Indiana legislature enacted a law establishing a bureau to conduct research into improved methods of legislation, to review proposed laws, to prepare bills, and to take other steps to streamline the legislative process, the Council of State Governments reports. A joint Legislative Advisory Commission, consisting of the lieutenant-governor, three senators, the speaker of the house and three members thereof, was also set up to act in an advisory capacity to the bureau.

Intergovernmental Relations Facilitated on Pacific Coast

Representatives of the states of California, Oregon and Washington met with representatives of the federal government and of cities and counties in the three states on June 21 and formed an informal Pacific Coast Board of Intergovernmental Cooperation, to facilitate conferences and discussions of intergovernmental problems. Another meeting is scheduled for September 21.

Eight States Add Laws for Intergovernmental Cooperation

Recent legislative sessions in eight states have produced new laws furthering intergovernmental cooperation in the performance of governmental services, according to the American Municipal Association.

The eight states with new intergovernmental laws are Michigan, Nebraska, New Jersey, Oregon, Pennsylvania, South Dakota, Tennessee and Washington.

New Jersey now not only permits municipalities to establish veterans' service bureaus but allows two or more municipalities, by contract, to form a joint veterans' service bureau and to finance it cooperatively. A new Tennessee law has the same provision.

Pennsylvania amended its legislation allowing municipalities to cooperate with each other through joint agreements by expanding the area of cooperation to include all municipal functions. Pennsylvania took another step toward increased intergovernmental cooperation by recognizing the municipal authority as a device for joint municipal action for the development of sewage treatment projects. Similarly, Michigan authorized municipalities to cooperate in financing sewage disposal projects. Nebraska legislation provides for joint municipal action in establishing and operating air facilities.

Other forms of intergovernmental cooperation appearing in the 1945 legislation include city, county and health district cooperation in administering health activities in Washington, city-county cooperation in the eradication of mosquitoes in Oregon, and a South Dakota statute permitting municipalities to contract with counties for the maintenance of municipal streets and alleys.

Utah Institute on Law Enforcement

A five-day institute on law enforcement was held at the University of Utah in July under the sponsorship of the Utah Municipal League and several other organizations. According to the American Municipal Association, outstanding speakers included Hugh H. Clegg, assistant director of the Federal Bureau of Investigation, and James V. Bennett, director of the Bureau of Prisons of the U. S. Department of Justice. Sessions were well attended.

Council-Manager Plan Developments

The newly incorporated municipality of **Gatlinburg, Tennessee**, is under a city manager appointed by the governing body consisting of the mayor and two commissioners. Incorporation as authorized by the last legislature was approved by popular vote in the community on March 31, and the mayor and his two associates on the commission were elected on June 13; they will serve for three-year overlapping terms. The commission has appointed a civil engineer as manager.

A home rule charter, including the manager plan, was adopted by popular vote in **Lamesa, Texas**, on May 1. According to *Texas Municipalities*, a council of five is now functioning, its first and chief concern being the appointment of the manager.

Raymondville and Burnet, Texas, have recently adopted ordinances providing for the manager plan.

An ordinance establishing a city manager for **Chula Vista, California**, was adopted by the city council by a vote of three to two on June 19.

A group of citizens in **Provo, Utah**, is studying the manager plan.

The Municipal League of **Seattle, Washington**, has headed a movement for the council-manager plan in connection with the charter revision now under way by the Freeholders Charter Commission. The latter body, however, has refused to present the manager plan, either as the basis of its charter revision or as a separate proposition to be voted on by the people. The latter plan was urged by the league in case of negative action by the commission, which has voted to retain the present mayor-council plan.

Interest in the manager plan has been shown in **Greeley, Colorado**, it being pointed out that under recent legislation only 15 per cent of the vote for mayor at the last previous election is necessary for a petition.

The council of **Brookfield, Illinois**, has provided by ordinance for a city manager.

At a primary election on July 31 **Carey, Ohio**, adopted the manager plan by a vote of 216 to 186. About one-third of the eligible voters participated. A council is to be elected in November and the new plan will become effective January 1, 1946.

An election on the question of adopting the council-manager plan in **Dothan, Alabama**, will be held on September 17.

Madison, Florida, a town of nearly 4,000 population, adopted the manager plan in August.

An ordinance adopted on July 3 by **Chester, South Carolina**, creates the position of clerk-treasurer-manager.

The **Spartanburg, South Carolina, Herald** is urging action to cause the City Council to authorize the manager plan by ordinance, without waiting for the meeting of the legislature next January when legislation may be adopted in line with an advisory referendum held last May which strongly favored the manager plan.

The validity of petitions in **Schenectady, New York**, for the repeal of the manager plan and return to the mayor-alderman system has been challenged in a taxpayer's suit brought by K. Pascoe Grenfell on July 25; both the form and the sufficiency of the petition were called in question.

The Quebec legislature has amended the charter of **Drummondville** to provide for the manager plan.

Dyer Creek, Maine, and **Vassar, Michigan**, have been added to its official list of manager cities by the International City Managers' Association.

Among other municipalities where interest in the manager plan is shown are **Beacon** and **Utica, New York**; **Brookfield** and **Nevada, Missouri**; **Hastings, Nebraska**, and **Redding, California**.

At their annual meeting in Camden, Maine, in June, as reported by the International City Managers' Association, **Maine** managers, recognizing the rapid growth of the manager plan in that state and the large number of managers, appointed a training committee and made tentative plans for conducting a one-week institute in the early autumn to improve the competence of present managers and make for better preparation of those just entering the manager field.

Baltimore Charter Body Submits Tentative Draft

The Charter Revision Commission which has been at work drafting a new charter for the city of Baltimore, Maryland, has submitted to the Mayor and the City Council a preliminary draft,

with a request for suggestions. A final draft is to be issued in September. As ultimately approved the document will go to the people in November 1946.

The present proposals include an arrangement whereby the existing council districts will be retained, but the disproportion between councilmen and population will be reduced by providing adjustments in the number of councilmen, now three per district, in accordance with voting registration.

Department heads are given more power in appointment of their immediate subordinates—now chosen by the mayor—in the new provisions.

Extra-Municipal Activities in Minnesota

The Minneapolis-St. Paul Metropolitan Airports Commission took over the complete operation of Holman airport in St. Paul on July 1. Formerly the commission operated the field under a contract with the city, which supplied the staff, materials and supplies on a reimbursement basis, according to the American Municipal Association.

The legal department of Minneapolis has been investigating the possibility of creating a port authority with power to regulate land use along the proposed upper Mississippi River harbor. The city has acquired strips of land along the river, under a law requiring the state to turn over tax-delinquent property to a municipality that requests it.

State Laws to Help Cities Buy War Surpluses

Motivated by the fact that first preference after the federal government in purchase of surplus war property was given to state and local governments by the Surplus Property Act of 1944, 29 states this year have enacted legislation enabling local governments to buy surpluses without following usual municipal buying procedures involving

advertising and competitive bidding. Four others acted similarly last year. Most of the 1945 legislation designates a state purchasing agency to act as coordinator and distributor for municipalities in surplus buying, according to a survey of state legislation by the American Municipal Association.

In Indiana the state director of procurement and supply must make available information concerning surplus property to municipalities on request. Municipalities may requisition surplus property through the Procurement and Supply Division if it can be obtained at lower prices than by the usual local purchasing methods. A state revolving fund was established for the purchase of surpluses.

In Maryland the State Council of Defense set up a War Surplus Property Division to help municipalities buy war surpluses; the agency will coordinate activities of federal disposal agencies and municipalities, but will not make actual purchases or handle the property.

Washington created a \$5,000,000 revolving fund to buy surpluses for the state and local governments. The fund is administered by the state director of finance, who is permitted to buy on requisition for the state and local governments—and without requisition if he deems it advisable. Though the state may not profit on transactions with municipalities, administrative costs may be added to the purchase price.

Iowa also created a War Surplus Commodity Board with an appropriation of \$500,000 for a revolving fund to purchase for municipalities. The state also will warehouse and distribute surpluses donated to municipalities.

Nine Statewide Retirement Systems Adopted in 1945

Legislation establishing statewide retirement systems for municipal em-

ployees was adopted in nine states this year, and two other states amended previously enacted statutes to make them more workable and acceptable to localities.

Besides Indiana, Oregon and Montana, as reported in this department in June (p. 294), Connecticut, Iowa, Maryland, Michigan, Nebraska and South Carolina set up statewide retirement systems for municipal employees in 1945 thus far, bringing to 22 the number of states with such systems, according to the American Municipal Association. Excepting that of Iowa, the new systems are optional in that municipalities may join if they wish, and are also "contributory," being financed by employer and employee contributions.

In Michigan the new law provides two retirement plans, allowing localities to select the one best suited to their needs and ability to finance.

The amended state employee's retirement law in Maryland allows municipalities to enroll their employees in the state system; if 60 per cent of the members of any local system elect to join the state system, the local system then can be merged into it. Cost of administering the state system is to be prorated among participating localities. The law becomes effective January 1, 1947.

Pennsylvania and North Carolina were the two states revising their statutes to encourage action by municipalities. Because of the high cost, Pennsylvania communities were unwilling to participate in a statewide municipal retirement system set up in 1943; the statute was amended to reduce the cost to communities by about 17 per cent. North Carolina now allows a municipality to enroll its employees in the statewide system by application, removing the provision requiring a referendum.

A number of other states amended

their municipal employee retirement systems this year to increase coverage and benefits.

Toledo Mayor Appoints Labor-Management Committee

An eighteen-man committee consisting of six representatives of management, six of labor and six of the public has been appointed by Mayor Lloyd E. Roulet of Toledo, Ohio, as authorized by the City Council. The committee is to study community labor-management problems and make suggestions to the city council on how the city may best assist in bringing about a better understanding and solution to the problems affecting labor and management in the community. In deciding to establish the committee the council emphasized that "full employment is the most important postwar problem facing Toledo."

The city will place at the disposal of the committee whatever facilities may be needed in the way of stenographic services, legal research or other assistance, and the City Council appropriated \$1,000 to cover incidental expenses.

Municipal Reports to Be Exhibited

The exhibition of town and city reports,¹ sponsored by the American Institute of Graphic Arts as part of the movement for better prepared and more attractive municipal reports, will be opened in the New York Public Library in September, and will also be shown in the Boston Public Library in October. After these showings the exhibit will be available to towns and cities, public libraries, municipal associations and civic groups throughout the nation, and may also go on tour.

¹See the REVIEW, January 1945, p. 35; March 1945, p. 135.

Researcher's Digest

Metropolitan Area Problems Probed

Pittsburgh, Dayton Groups Discuss Possible Solutions

THE Pennsylvania Economy League, Western Division, is making an over-all study of the "functional, administrative and fiscal operations of all political units in Allegheny County."

"Recognizing the fact that the present political subdivisions and administrative units are in existence because of arbitrary political boundaries which were established many years ago," says its May *Newsletter*, "the entire study is being made for the purpose of creating a new master plan that would provide for consolidation, merger or federation of various units in order to establish more practical and economical operations."

The first of the publications on the subject is *Allegheny County's 118 School Districts—Their Financial Operations During 1944*, a brief introductory study on the "educational, administrative, and fiscal operations of each of the several districts."

The league's June *Newsletter* sets forth some of the interesting highlights and observations of its survey of Pittsburgh finances for the past 25 years. There is also a comprehensive presentation of the survey, for those who want to delve into the problem further, *A 25-Year Fiscal Review of the City of Pittsburgh, 1920 Through 1944*. (50 pp.)

"Properly stimulated citizen interest can rescue the modern city from its financial doldrums," sums up the league in *Pittsburgh's Financial Problem Compared with Other Metropolitan Areas*

(9 pp.), after pointing out that many cities, including Boston, Detroit, Buffalo, Cincinnati and Dayton have made studies of their metropolitan problems.

Dayton's Problem

"Artificial boundary lines between city and county, village and county, city and rural school districts are costing citizens of Dayton and Montgomery County unnecessary expense for duplicating or overlapping services," says the **Governmental Research Department of the Dayton Chamber of Commerce**, in its *Dayton Government Digest*. The department recommends a re-examination of the entire school structure of the county to determine "the possibility of creating school districts of a size compatible with efficient administration. . . . Unless educators and citizens are willing to sacrifice geographic loyalties and political position, Dayton and Montgomery County must forego the opportunity of creating a real community of educated individuals."

Educating the Citizen on Governmental Procedure

Two pamphlets of the **Bureau of Municipal Research of the University of Texas** have been published with an eye to educating the layman on two important phases of government.

The first, *An Introduction to Municipal Incorporation and Organization in Texas* (34 pp.), has been prepared by Wilfred D. Webb, research assistant in the bureau. It "seeks to acquaint the citizen, in a rather introductory manner, with various aspects of municipal organization in Texas," says Stuart A. MacCorkle, director of the bureau, in the introduction. "In particular, brief consideration is given to the major features of the available forms of government, the procedure for incorporating cities, towns and villages, the methods for changing from one form of

government to another, and the methods of obtaining home rule charters." It should be a valuable aid to the citizen who would like to see his form of government made more efficient but who perhaps may not be acquainted with procedures.

The second pamphlet describes *How Bills Become Law in Texas* (37 pp.). It was written by Dr. Dick Smith of the Department of Government of the University of Texas and is "an attempt to show in simple terms the formal progress of a bill through the legislature."

Connecticut Council Reports to Its Members

The first three years of the life of the **Connecticut Public Expenditure Council** are described in the organization's *1945 Report to Members and Friends*, an attractive, well illustrated pamphlet of 27 pages. According to Charles L. Campbell, retiring chairman of the Board of Trustees: "The first year was pretty largely spent in getting organized: in assembling a competent staff in the face of wartime difficulties; in making fruitful contacts with public officials, civic organizations and individual taxpayers; and in thinking out and setting forth a worthwhile program. The second year saw the organization getting its teeth into the job, with constructive, money-saving work on federal subsidies; the establishment of an appreciated municipal consulting service; undertaking initial studies on pensions and legislation; forging a bond of confidence with state and local officials throughout the state; and winning the respect of the public and the press as an independent, nonpartisan citizen agency. The last working year found the council in real stride, and the worth of its activities in behalf of Connecticut taxpayers will be clear to anyone who reads the . . . report of

Carter W. Atkins, the council's capable executive director."

Another, and briefer, publication of the council, *Looking Ahead with the Taxpayer*, presents "The Council's 1945-46 Program."

Democracy and Local Government

The **Citizen's Research Institute of Canada** has devoted one of its bulletins to the presentation of three articles under the title "The Importance of Local Government in a Democracy." The first two, "Democracy and the Free City" by Professor Harold A. Innis, and "The Place of Municipal Institutions in a Democracy," by Professor J. A. Corry, were addresses delivered at the combined annual meeting of the institute and the **Toronto Bureau of Municipal Research**. The third, "Local Government the Training Ground of Democracy," is taken from the institute's 1945 Year Book.

The Toronto bureau has recently issued its 31st annual report for the year ending February 28, 1945.

Jail Investigations in Rhode Island and Seattle

Jails are on the list of problems which research groups have recently undertaken to survey. The Baltimore jail has undergone the scrutiny of the **Commission on Governmental Efficiency and Economy, Inc.**¹ Now the **Municipal League of Seattle for Governmental Research** has published its findings on an investigation of the King County jail and the **Rhode Island Public Expenditure Council** has issued a twelve-page pamphlet on *The Jails of Rhode Island*.

¹See "What Type City Jail for Baltimore?," the REVIEW, July 1945, p. 345.

The Seattle league has conducted a thorough investigation of the jail to check on the accuracy of a report issued by Roy Casey, inspector for the U. S. Bureau of Prisons. The league's Law Enforcement Committee found that while there was basis in fact for many of the criticisms made, it felt the report "was so worded in several places as to give the ordinary citizen a distorted picture of jail conditions." The report compares the King County jail with five of the best-run county jails in the country: San Francisco, Alameda, Oakland, Los Angeles in California; Berks in Pennsylvania and Hampden in Massachusetts. It concludes that while the King County institution is in some ways inferior to these "best-run" institutions, it is in many ways equal to them. It lists a number of constructive suggestions for improvement of jail conditions.

The Rhode Island report is one of a series on state and local problems of inter-governmental relations made for the council by the Institute of Public Administration. Its author is Bruce Smith of that organization. Mr. Smith points out that in ratings announced by the U. S. Bureau of Prisons the county jail at Providence "is graded in the top 1 per cent among more than three thousand jails inspected, while the jails maintained in Kent, Bristol, Washington and Newport Counties are of such a low order that they cannot qualify for the detention of federal prisoners."

"That Rhode Island should not rate higher," continues the study, "is the more surprising because its five jails, alone among some thousands of such institutions in this country, are completely and exclusively under the jurisdiction and control of the state government." Alternative suggestions are made as to possible methods for improving present conditions.

GRA Asks Cooperation

G. Gordon Tegnell, newly appointed secretary of the **Governmental Research Association**¹ has asked member organizations to cooperate by (1) placing the national office on mailing lists for all publications and research reports; (2) notifying the secretariat of any changes in personnel; and (3) compiling and forwarding as soon as possible as complete a file as available of research studies.

* * *

Rhode Island Surveys

The **Rhode Island Public Expenditure Council** has available two additional reports in its series bearing on important state and local governmental problems.² *Judicial Administration in Rhode Island* (23 pp.), by Bruce Smith, and *Politico-Economic Prospects of Rhode Island* (19 pp.), by A. E. Buck. Both authors are on the staff of the Institute of Public Administration of New York City which has made an over-all survey of Rhode Island governmental affairs for the expenditure council.

A council bulletin presents a "Comparative Analysis of Local Government Finances—Statements of Revenues, Expenditures, Indebtedness, Assessed Valuations, Tax Levies and Tax Collections of the 39 Cities and Towns in Rhode Island." (8 pp.).

* * *

Police

Police Precincts—How many precincts are necessary for efficient and economical operation of the Police Department? (17 pp., 35 cents), published by the **Detroit Bureau of Governmental Research**, was prepared by J. M. Leonard

of the bureau's staff. The report recommends "that the precinct layout be extensively overhauled and that the number of precincts can be reduced to effect substantial savings with an equalization of work among the precincts." Annual savings of \$375,000 would be the result of one of two alternative plans suggested. Maps show present and proposed police precincts, crime distribution, etc.

The **Municipal League of Seattle for Governmental Research**, after making a survey of practices in large cities, has issued "*How Shall Police Chief Be Appointed?*" (4 pp.).

"Should Milwaukee's fire and police disciplinary procedure be radically changed?," asks the **Citizens Bureau of Milwaukee** in a two-page discussion of the problem. The bureau's study of personnel administration in the two departments finds no evidence of abuses of power on the part of the chiefs which would warrant radical change.

The bulletin of the **Providence Governmental Research Bureau** comments on the reorganization of the Police Department by the Providence Bureau of Police and Fire. It points out the more important defects of the existing structure and concludes that the reorganization meets most of the requirements of efficient police administration.

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Duluth Report

The **Governmental Research Bureau of Duluth, Minnesota**, has issued its 24th annual report to members. It discusses the bureau's work with officials and the 1945 legislature, as well as its efforts to keep a "weather eye" on the financial affairs of the city.

* * *

Salaries

City and county salary increases and adjustments are the theme of three bulletins issued by the **Schenectady Bu-**

¹See the REVIEW for July 1945, p. 343.

²See "Jail Investigations in Rhode Island and Seattle," p. 410, this issue; and "R. I. Expenditure Council Studies Local Finance," March 1945 REVIEW, p. 136.

reau of Municipal Research. The first presents a summary of increases given to full-time salaried employees of the city, except teachers, since 1940; the second compares city salary adjustments with those received by the employees of twelve other New York cities and five Massachusetts cities; the third shows salary increases in Schenectady County since 1941 and compares them with increases in eight other New York Counties.

* * *

Per Capita Costs

The Providence Governmental Research Bureau has published per capita expenditures of the city for general operations and capital outlay from 1935 to 1944, plus 1945 available appropriations. Figures are broken down not only by years but by departments. Schools showed the greatest per capita operating expenditure, ranging from \$16.17 in 1935 to \$20.23 in 1944. Public welfare costs rose from \$11.96 in 1935 to \$16.43 in 1938, descended to \$2.88 in 1944. Total operating expenditures increased then decreased, going from \$66.45 in 1935 to \$78.44 in 1938 and down to \$63.68 in 1944.

* * *

Postwar Plans

The Minneapolis Research Bureau has issued a timely study, *A Summary of Postwar Planning in 25 Cities*. Information, secured from each city includes name of the organization under whose auspices postwar plans are taking shape, amounts which have been allocated or asked for postwar planning, plans under way or contemplated. The cities represent a cross-section of the larger cities of the country.

* * *

Legislative Council Publications

Latest reports of the Illinois Legislative Council include *Adoption Laws* (22 pp.) and *The Taxation of Hospitals* (22 pp.).

Citizen Action

Edited by Elsie S. Parker

Civic Organizations Gird for Fall Election

New and Revived Groups Lay Plans for Campaigns

NOW that the nation's preoccupation with wartime activities is over, local groups are redoubling their efforts in the civic field.

The Yonkers City Manager League is making preparations for a vigorous campaign to elect its candidates to the Yonkers Council under P.R. this fall. A Women's Auxiliary has been formed with 50 women enrolled as charter members. Miss Bertha Smith, first vice-president of the City Manager League and retired assistant superintendent of schools, presided at its organization meeting. She asserted that the auxiliary was "an open door for democratic-minded women of all creeds, races, national backgrounds, cultural interests, occupations and professions, from any political party—in short, for all women interested in good city government along council-manager lines."

In her remarks as principal speaker, Councilwoman Edith P. Welty, one of the originators of the manager movement in her city, indicated that the prospects for good government in Yonkers are good. "With \$14,000,000 debt paid off in the last five years and the \$4,500,000 deficit of 1939 and prior years reduced to \$454,000, the prospect of reaping certain benefits is good. The benefits and service which our citizens want they can obtain, at a cost they will be glad to pay, through efficient, businesslike, honest administration."

"It is my belief," said Mrs. Welty, "that people never resent their taxes

when they know their money is spent wisely and honestly to render maximum service at minimum cost."

In the same city, three outstanding members of the community, all elected during past years as the "Outstanding Man of the Year," have appealed for an unselfish attitude on the part of political groups in the coming election. "We issue this appeal," the three announced, "to all political groups to subordinate selfish partisan interests and to nominate for members of the Common Council citizens of the highest integrity who will put city-wide interests first and personal prestige second."

Oxie Reichler, editor of the *Yonkers Herald-Statesman*, in an address before the Yonkers Junior Hostess Association of the U.S.O., appealed to his hearers to augment their social and recreational programs after the war by "making good government your hobby." He pointed out that there is no young people's group in the city aggressively devoted to this purpose and asserted that the application of youthful enthusiasm and imagination to civic matters would be "refreshing" and of "incalculable benefit to the community."

Montgomery County

The **Montgomery County (Maryland) Charter Committee**, which conducted a vigorous though unsuccessful campaign for a county manager charter in 1944,¹ is already at work on its drive to elect a new charter board in 1946. At a meeting to make preparations it approved a budget of \$11,500.

The committee is planning to employ a full-time research man. His duties will include a study of all county activities and financial transactions. He will observe the workings of the new laws enacted earlier this

year by the state legislature, one of which provides a "supervisor" for the county who has duties somewhat similar to those of a manager.²

John F. Willmott, chairman of the group's research committee, stated in an address before the committee that the organization will lay emphasis on the 6,000 voters who participated in the 1944 election but failed to vote on the charter question. "We needed only 1,700 of those votes to put the charter over the goal line for a touchdown," he commented.

The committee has issued a leaflet which warns: "Charter citizens say don't be fooled by bogus reforms of the Montgomery County political machine." It calls the new law providing for a county supervisor "half-baked." "The charter had proposed a real manager," it says, "but the new law merely sets up a 'county supervisor.' He is a boss of many functions and yet he is actually subordinate to many of his subordinates. He will get \$10,000 a year to control 'routine administrative functioning.' His appointive powers are made meaningless by the exclusion of twelve classes of jobholders. He 'directs' a county purchasing agent but this purchasing agent is responsible to the county commissioners. His powers are all tangled up. He is no county manager, merely an excuse for one." Other laws passed by the legislature, characterized as a "sop" to the cry for reform, are criticized in the pamphlet.

Schenectady

A proposal to return to the mayor-alderman plan of government in Schenectady, New York, has brought about a revival of that city's **Charter League** which was responsible for adoption of the city's present manager government in 1934. The league has appointed a steering committee to prepare a state-

¹See "Machine Beats County Charter," by John F. Willmott, the REVIEW, December 1944, p. 583; also p. 420, this issue.

²See April REVIEW, p. 199.

ment of principles for the organization's adoption. It will continue its strong support of manager government but may suggest changes to make the charter more up-to-date and efficient. Philip L. Alger has been made chairman of the steering committee.

Revere

The **Plan E Committee of Revere, Massachusetts**, formed a year ago to secure Plan E (city manager with proportional representation) for the city, is working to place the question on the ballot this fall. A full-page advertisement published by the committee urges citizens to volunteer their aid in the circulating of petitions. Sixteen hundred names are needed to have the question placed on the ballot.

New Groups

A **Citizens Protective Committee** has been formed in Nashville, Tennessee. Its purpose will be the creation of a committee of one thousand to study the defects of the city's government and suggest improvements, and to organize citizens along the lines of the plan which has played so successful a part in Cincinnati's good government. Walter Stokes, Jr., business man and civic leader, has been elected chairman, Thurman Sensing is secretary. As soon as the committee has reached an adequate size and plans for its financing are made, it is expected that an experienced executive secretary will be appointed to devote his full time to the task.

A **Citizens Charter Association** has been organized in Houston, Texas, to prepare for the municipal election to be held in the fall of 1946. Arthur C. Burnett has been elected chairman of the group.

Two Virginia communities have efforts under way for the formation of local civic organizations — Richmond and Leesbury.

Can New York City Regain that "Home Town" Sense?

"Will it be possible in New York to get back the sense of 'home town' that New Yorkers used to have, or must they either renounce it forever or move to smaller communities? We propose to go all-out for the first alternative," announces the **Citizens Union of New York**.

"The effects of 'homelessness' in the big city are too apparent to need description. Yet there is good reason to believe that 'home town' can be regained, right where we are—at no additional cost and entirely through the use of existing civic facilities. Buried in New York are districts that not long ago were living as towns and active individual communities. Their reality is attested by the fact that names such as Chelsea or Morningside, Bay Ridge or Canarsie, instantly evoke vivid images, however lost these places may be in the amorphous and endless city. Building from these centers and numerous others, New York can become a great cluster of home towns and still retain the best aspects of its character as the metropolis of the western world."

The union's proposal is that any planning which involves "essentially local action be undertaken on the basis of nuclear districts, most of them already in existence and easily identifiable. Conveniently located in each would be developed eventually a genuine civic center, toward which a substantial start could be made by a better planned arrangement of the new construction already scheduled for the period soon after the war."

In a letter to civic and welfare groups the union has asked for reactions to its idea. Maps of Manhattan and Brooklyn, showing some of their "component communities which might form the nuclei for proposed districts" were enclosed.

Maine Pupils Hold Town Meeting

A new approach to the study of history has been made by eighth graders in a grammar school at Dexter, Maine. A class of 61 pupils, under the direction of their teacher, conducted a town meeting.

Since there were no selectmen, a committee was appointed, says the *New England Townsman*, to draw up and post a warrant. Pupils were nominated as candidates for town officers and much electioneering was heard. At the meeting, after the reading of the warrant, the moderator was elected and sworn and took charge of the business of the day. Election results were reported and the various articles for action were introduced by the moderator who encouraged discussion and put each to a vote.

"The meeting was democratic and typical of all town meetings," reports the *Townsman*. "Most of the discussions were carried on by a few, but everyone was interested and ready to vote independently on all articles."

The class continues its conduct of town affairs. Three duly qualified assessors are assessing the taxes and will shortly make their report to the tax collector.

An interesting sidelight is the fact that the gavel used at the meeting was lent by the unsuccessful candidate for moderator. It had belonged to his great uncle, the late James Blaine Morrison, president of the Maine State Senate in 1929.

A Selectman's Advice Brings Results

Asking one's selectman—or alderman or councilman, as the case may be—how best to serve the community is one way of seeking a constructive task. *Hamden Town Government—A Study by the Hamden League of Women Voters* is the result in one Connecticut

town, where First Selectman F. Raymond Rochford pointed out the need for a study of Hamden's present government. The report, covering 31 mimeographed pages, was prepared by a committee of eight members of the local **League of Women Voters** who had indicated a special interest in government. It includes a discussion of the various forms of municipal government, a description of Hamden's governmental setup, and recommends that the "selectmen appoint a committee to consider changes in Hamden town government and that the committee be authorized to obtain professional assistance." Such a committee, the league suggests, should consider the following points listed in the study:

1. That the present system of conducting the business of the town by town meeting be discontinued;

2. That a council-manager form of government be established;

3. That recognition be given to the principle of the short ballot, whereby the number of elective offices be reduced to a minimum;

4. That recognition be given to the principle of centralized responsibility, whereby the number of independent boards of lay citizens be reduced, at least to those which either determine policy to some extent or act as boards of appeal;

5. That a completely new charter be drawn up and submitted to the electorate of Hamden;

6. That the new charter include a provision for the calling, when circumstances require, either by vote of the council or by petition of a designated number of townsmen, of a special town meeting to consider any specified subject, said town meeting to have power to determine the policy or course of action of the town on the matter under consideration.

Wilton Schools Studied by League of Women Voters

Another Connecticut group, the **Wilton League of Women Voters**, has

made a study of the Wilton public school system which will be printed and distributed to all parents and taxpayers in the community this fall.

According to Miss Emily A. Farr, chairman of the Education Committee of the Wilton League, as reported in the *Connecticut Voter*, the study "contains a history of the schools from 1925-45; describes the state and local administration of the public school and methods of election, explains the schools' supervision, methods of financing, budgeting; lists percentage cost of each item, gross and net expenses, cost per child of each item and of the whole; gives details of enrollment by grades; describes the duties and qualifications of principals, classroom teachers, special teachers (art, music, etc.), health personnel, school staff and transportation personnel. . . .

"The history and organization of the groups which are related to the school program such as the School Planning Committee, the Parent-Teachers Association, and the school hot lunch program are also dealt with at some length. Brief outlines of each of four or five full length surveys and a dozen or so reports which have been made in the past on the Wilton school system are included with notations as to where each one is available. There is a short section on high schools and trade schools. . . .

"In order that possible personnel changes shall not make the report out of date during the next two or three years, names of all personnel have been omitted from the main body of the report and have been listed on a loose sheet which will be inserted in the finished report."

Strictly Personal

Norman N. Gill, in charge of the Milwaukee Municipal Reference Library since 1940, has resigned to be-

come executive director of the Milwaukee Citizens' Bureau. He will succeed John C. Davis, who has retired. Mr. Gill will conclude his library work with the preparation of Milwaukee's 1944-45 report, a task he performs annually for the city. During his tenure he has served as secretary of various official committees as well as civic groups. Mr. Gill is an instructor at the University of Wisconsin's Extension Center in Milwaukee. He is author of numerous articles and studies on civic affairs. One of his most recent studies is *Municipal Research Bureaus*, made under the auspices of the Committee on Public Administration of the Social Science Research Council and published by the American Council on Public Affairs.

Too Many Voters Pass the Buck

We may as well be frank and honest with ourselves and admit that the average citizen, for a dozen reasons, seldom fails to evade and avoid his own responsibility. He is "so busy" he has no time for public business, issues or problems. He is guilty of just plain "buck-passing," a thing he always condemns as the primary sin of the man in public office whom he calls a politician.

If enough voters go to the polls and vote . . . the chances are that most of the votes will be cast with a good measure of intelligence and understanding. The city again will be kept in safe hands. But if a majority ignore and neglect the ballot job, then they, and the rest of us why try to do our duty, will have to suffer whatever bad results may follow. . . .

No people's government is worth having which does not bring to the top the men of ability, character and experience, and hold them responsible.

From *Detroit Civic Searchlight*

Proportional Representation

Edited by George H. Hallett, Jr.

(This department is successor to the
Proportional Representation Review)

British Elections Give Distorted Results

Majority in Parliament Based on Minority Vote

The following analysis of the recent British parliamentary elections has just been received from John H. Humphreys, secretary of the British Proportional Representation Society, who prepared it for the *Westminster Provincial Press*. EDITOR.

TO WHAT extent in respect of both party representation and of personnel does the new House of Commons reflect the wishes of those who went to the polls? What difference would it have made if a method of voting had been used which, like proportional representation, would have assured a fair result?

The total number of votes counted on July 26 was 24,981,951, the number of members returned (contested elections) was 624; accordingly each of the new members represents, on an average, 40,035 votes. For the three main parties the results were:

GREAT BRITAIN AND NORTHERN IRELAND

Party	Votes	Seats obtained	Average votes per seat	Seats in proportion to votes
Labor	11,962,678	388	30,826	299
Conservative-National	9,934,573	209	47,534	248
Liberal	2,280,135	11	207,285	57

The average number of votes per seat for each party differs greatly. A Labor member represents 30,826 voters, a Liberal represents 207,285 or nearly seven times as many. If the three parties had been represented in proportion to voting strength (one member for every 40,035 votes) Labor

would have obtained 299, the Conservative-Nationals 248, and the Liberals 57 seats.

But proportional representation would have made a further difference. The Liberals had only 307 candidates. If, like Labor and the Conservative-Nationals, the Liberals had had 600 candidates, their poll would have been much higher. Moreover, in many constituencies, the full Liberal vote was not polled. Several electors have told me that they would have liked to vote Liberal but they were going to vote Conservative in order to support Mr. Churchill. Under a proportional system, the full Liberal poll would probably have been in the neighborhood of 4,000,000 votes, which would have given nearly 100 members of Parliament.

Wiltshire

So far, the country as a whole. Some local results, however, throw much light on the vagaries of our system. Here are a few. Wiltshire, one of the several counties which are misrepresented, gave the following result:

Party	Votes	Seats
Conservative	76,396	4
Labor	71,272	1
Liberal and Progressive	33,775	0

The Conservatives with 76,396 votes out of a total of 181,443 obtained four seats out of five.

Birmingham

The figures for Birmingham were:

Party	Votes	Seats
Labor	244,457	10
Conservative	180,269	3
Liberal	27,195	0
Others	8,355	0

Labor with 244,457 votes out of a

total of 460,276 obtained 10 seats out of 13. A small additional change in votes would have given Labor all 13 seats.

Yorkshire

Yorkshire, one of the important counties from all points of view, deserves special study. The results (excluding Hull, Central) were:

Party	Votes	Seats
Labor	1,239,767	43
Conservative-National	792,732	12
Liberal	225,447	1
Others	31,625	0

The 225,447 Liberals of Yorkshire have one representative; they might easily have had none. These citizens have won the right to put a mark on a ballot paper once every five years, a mark without value; they have not won the right to be represented in Parliament.

The Gamble

The general election gave, as in 1935, a one-sided result. A new general election held tomorrow might easily give a very different result, either more one-sided or more balanced. The Conservatives won some 60 seats on a minority vote; Labor won some 40 seats on a minority vote. How easily in all these constituencies representation might shift from one party to another. A British general election is a gamble, the fairness or unfairness of which depends on a system of voting the results of which the electors cannot control.

Personnel

Proportional representation would have made a great difference in personnel. Every party would have returned its best. Mr. Richard Law would probably have been elected as one of the members for Hull; Sir William Beveridge would have been one of the members for Northumberland; Lady Bonham Carter one of the members for Somerset. But, in addition, live young candidates like Miss

Honor Balfour and many of those provided by the fighting forces would have found a place among the Liberal members of Parliament. Labor has doubtless provided many excellent new members, but the House would have been the richer had it contained the best of all parties; we should have had a balanced House both in respect of party representation and of personnel.

Stalemate?

But it will be said that we should have been confronted with a stalemate. Political writers are very fond of this word; it prevents readers from thinking. What would have happened if we had had a balanced House? In all probability we should have formed a new national government, a government truly national and not one-sided. Such a government would have gone forward with the full authority of the whole nation for, in respect of the many difficult international and national questions that confront us, the programs of the parties had much in common.

Sweden has used proportional representation for some 35 years. It is a most progressive country, with stable government. An election result is fair. Rarely does one party have a majority in its own right. But there is no stalemate. Parties cooperate to give effect to the wishes of the electors as expressed at the polls. This is common sense. A fair election result, a balanced parliament, a truly national government would have given guidance to India and to each of the liberated countries of Europe. Mr. Winston Churchill has, in speech, in writing, in broadcast, advocated the reform of our electoral system. It is one of life's little ironies that the Conservative party headquarters, by opposing electoral reform, have helped to inflict upon Mr. Churchill so humiliating a defeat.

Ten acts of the British Parliament have, for various purposes, prescribed the use of proportional representation; there will be further acts of Parliament prescribing its use.

JOHN H. HUMPHREYS

London

New York Council Term Extended

A new charter amendment, passed under the sponsorship of Council President Newbold Morris, extends the term of the New York City Council from two years to four. Although the charter requires a referendum on any change in the "composition of the council," the Council, Board of Estimate and Mayor, who successively approved the amendment, acted on the theory that this restriction did not apply to a change in term. Unless challenged in the courts, therefore, the fifth P. R. Council, elected at the time of the mayoralty election this November, will serve until after the following mayoralty election in 1949.

The change was opposed by the Citizens Union, the Liberal party and others as depriving voters of an opportunity to keep close control of city policies by changing or re-endorsing their representatives at frequent intervals, as subordinating the Council election every time to the more spectacular contest for the mayoralty, and as giving a longer term to a body elected while many of the city's young people are absent in the armed forces. Even some who favored the change felt it should have gone to referendum.

It was defended as making Council service more attractive to persons of good calibre, as avoiding the unfortunate effects of a light vote in off-years, and as keeping the size of the Council relatively stable under New York's plan of making the number elected depend on the number of votes cast.

John R. Commons —P. R. Pioneer

John R. Commons, professor emeritus of economics at the University of Wisconsin and one of the most distinguished and revered of American proportionalists, died on May 11 at the age of 82.

Though chiefly known for his work in the field of labor and economics—he was at various times a member of the Wisconsin Industrial Commission, the Wisconsin Minimum Wage Board and the Federal Industrial Relations Commission, president of the National Consumers' League, the American Economics Association and the National Monetary Association, chairman of the unemployment insurance board of the Chicago clothing trades, and author of a number of books in the field—he also played an important role in the early development of proportional representation sentiment in the United States.

He was one of the founders of the American P. R. League at an international congress on proportional representation held in connection with the World's Fair in Chicago on August 11 and 12, 1893. The address he made there was printed the following month in the first issue of the *Proportional Representation Review*. He was a member of the league's original committee.

In 1907 the Macmillan Company published his book entitled *Proportional Representation*. This was the standard American work on the subject until the progress of adoptions in American cities, beginning with Ashtabula in 1915, put it out of date.

Professor Commons was vice-president of the American Proportional Representation League and its successor, the Proportional Representation League, Inc., now consolidated in its operations with the National Municipal League, from October 1913 until the time of his death.

County and Township

Edited by Elwyn A. Mauck

Home Rule for Georgia Counties

Optional Forms Permitted by New State Constitution

UNDER the new constitution adopted by the voters of Georgia on August 7,¹ the legislature of the state is required to provide optional systems of county government so that counties may select the type they desire.

Under the new document permission for counties to consolidate is continued. The general assembly may authorize consolidation but it is provided that two-thirds of those voting in all counties affected must favor it. Formerly the constitution required a two-thirds vote only of the county that desired to merge with a contiguous county.

City and county consolidation is continued but no limitation is contained in the new constitution as to which cities and counties may or may not unite. Formerly, for instance, Atlanta, lying within two counties, was unable to merge with either. The general assembly has power to provide details for such mergers and also may adopt optional systems of government to become effective when approved by a majority of the voters.

Three Counties Selected for Experimental Program

Colquitt County, Georgia, Blue Earth County, Minnesota, and Henry County, Indiana, have been selected by the Council on Intergovernmental Relations for an experimental program to improve relations between federal, state and local governments. The pur-

pose of the council's program, according to *Southern City*, "is to devise administrative procedures and mechanisms for blending more harmoniously the powers and interests of the federal, state and local governments in the execution of their common objectives."

Members of the council include Harold D. Smith, director of the Bureau of the Budget, chairman; Paul V. McNutt, administrator of the Federal Security Agency; Philip B. Fleming, administrator of the Federal Works Agency; M. L. Wilson, director of extension for the Secretary of Agriculture; William Anderson, University of Minnesota; Earl D. Mallory, executive director of the American Municipal Association; Luther H. Gulick, director of the Institute of Public Administration; and Frank Bane, executive director, Council of State Governments.

Supervisor Appointed for Montgomery County, Maryland

Several laws passed by the last session of the Maryland legislature providing for the reorganization of the government of Montgomery County, suburban to Washington, D. C., became operative recently with the appointment of Willard F. Day, former manager of Henrico County, as administrative officer with the title of supervisor. Mr. Day, a former president of the International City Managers' Association, has been with the federal government for the last several years.

The laws, sponsored by the county administration which successfully opposed the 1944 campaign of the Montgomery County Charter Committee for a county manager charter, also provide for a purchasing officer, a civil service commissioner and for general powers for the Board of Commissioners to enact ordinances not in conflict with state laws.

In a pamphlet issued before the appointment of Mr. Day, the Charter

¹See also pp. 374 and 402 of this issue.

Committee served notice that it would conduct another campaign in 1946 for a full-fledged home rule manager plan charter.²

Centralized Purchasing Saves King County Money

Legislation providing centralized purchasing for King County, Washington,³ is already bearing fruit. The county's newly appointed purchasing agent, Ray N. Shannon, anticipates a savings of over \$12,000 from a recently awarded gasoline contract after receipt of competitive bids. The new purchasing agent reports that the transition from departmental to central purchasing is being effected with excellent cooperation from department heads.

Trend in Kansas to County Road Systems

The trend in Kansas is toward the county unit road system under which the counties build and maintain all rural roads, according to a recent survey by the League of Kansas Municipalities. Twenty-nine counties now operate under the county unit system, three counties recently passed resolutions favoring adoption of the plan, and petitions in favor are now being circulated in nine counties. In nineteen counties opinion is reported favorable and action on the county unit plan may be taken soon. One county recently defeated the proposition, 278 to 191, at a special election.

County and township officials are giving the county unit system greater consideration because of federal funds which will be available, because of the demand for better highways which will require machinery too expensive for many townships to purchase, and because of the new school legislation in the state which will result in consolida-

tions and thus require increased transportation for rural pupils. Some county commissioners believe that the adoption of the county unit system will be necessary in order to receive maximum benefits of state and federal road funds which will be available now that the war is over.

JOHN G. STUTZ, *Executive Director*
League of Kansas Municipalities

Virginia Conducts County Planning Institutes

The Virginia State Planning Board sponsored a series of meetings throughout the state on county planning and zoning problems. The meetings were attended by county officials responsible for the solution of such problems. A similar series of meetings was conducted previously by the board for municipal planning officials.

Jefferson County-Birmingham Consolidation Studied

A resolution pending before the Jefferson County, Alabama, legislative delegation would establish a sixteen-member citizens' committee to investigate the feasibility of consolidating the governments of Birmingham and Jefferson County. The resolution provides for a full-time executive secretary and an appropriation of \$12,500. The committee would submit its findings to the legislative delegation in 1947.

County Poor Farms Continue to Close

Recent reports indicate additional county poor farms are being closed as more advanced methods of treatment supplant these institutions for the aged indigent. Otter Tail County, Minnesota, and Geary and Finney Counties, Kansas, have sold their farms. Wa-baunsee County, Kansas, is considering similar action. Three other Kansas counties, Marshall, Lyon and Harper,

²See also p. 413, this issue.

³See the REVIEW for June 1945, p. 315.

are leasing their farms to private operators.

County Personnel Officers Organize

There has been organized recently the New York State Association of Civil Service Officers, affiliated with the County Officers Association of the state. Its aims will be "to promote improvement of the service of the personnel agencies in their administration of the civil service law and to advise and recommend legislation affecting its administration."

Digest of New York State Local Laws Issued

For the guidance and instruction of its members, the New York State Association of Towns has issued a 64-page *Digest of 1945 Laws Affecting Towns and Counties*. It carries an article on "March Toward Home Rule" by New York's attorney general, but most of the booklet is devoted to digests of the legislation affecting town and county government passed by the 1945 session of the New York legislature. For convenience of reference the digests are grouped under 28 subject headings.

Cooperative Planning in Napa County, California

Since 1943 Napa County, California, and its three incorporated cities — Napa, Calistoga and St. Helena — have been cooperating in a solution for postwar problems through the Napa Planning Council. The County Planning Commission, County Board of Supervisors and the Redwood Empire Association have also been represented on the council.

In **Fulton County, Georgia**, which includes Atlanta, adoption of the county manager plan has been recommended by a grand jury.

Taxation and Finance

Edited by Wade S. Smith

"Little Legislature" Plays Role in Louisiana Finance

Research Bureau Investigates State Board of Liquidation

STUDENTS of the practical aspects of state budget-balancing—as opposed to the theoretical—will find extremely interesting a short monograph¹ recently published by the New Orleans Bureau of Governmental Research chronicling the history of the so-called "little legislature" of Louisiana, the Board of Liquidation of the State Debt.

The Board of Liquidation, created following the Civil War to handle problems of the reconstruction period, was by the 1880's raising loans to meet temporary requirements for cash for operating purposes and following 1908 began borrowing money to augment the amounts made available for expenditure by the legislature. From 1908 through 1944 the Board authorized loans or transferred appropriations amounting to more than \$75,000,000 despite a constitutional stricture that the legislature might not borrow money except for emergencies or to repel invasion.

From 1907 to 1944 (in addition to the office of "executive counsel to the governor" created in 1936 but dropped in 1942) the board consisted of the governor, lieutenant-governor, attorney-general, secretary of state, state audi-

¹*Louisiana's "Little Legislature"—A Study of the Board of Liquidation of the State Debt, 1870-1945.* Bureau of Governmental Research, Inc., New Orleans, 49 pp. \$1.00.

tor, state treasurer, and speaker of the House of Representatives.

Late in 1944, following a series of test cases brought by the New Orleans Bureau of Governmental Research, the board's activities were considerably restricted by amendments to the law, although its title appears to be a misnomer still.

Under these amendments the attorney-general and secretary of state were dropped from its membership and the chairmen of the House Appropriations Committee and the Senate Finance Committee added.

Although the board functioned in a zone of legal twilight, to say the least, in so far as some of its activities were concerned, the history of its operations indicates that under the system of budgeting practices in Louisiana it frequently performed a useful service, many of its appropriation transfers or borrowings being made to rectify omissions of the legislature. In later years, its actions have required the approval of the legislators, who when not in session were polled by postcard or telegraph. What is obviously needed, however, is a comprehensive overhauling of the state's system of fiscal controls.

Connecticut Municipal Fiscal Officers Go to School

The calm that characterizes most college campuses following commencement week was shattered this summer at Storrs, seat of the University of Connecticut, where three separate short courses were held to instruct municipal finance officers, assessing officials, and tax collectors in up-to-date techniques in their respective fields.

Sponsored jointly by the University through its Institute of Public Service and School of Business Administration, the State Tax Department, the state and national associations of the public officials concerned, and with the active

assistance of the Connecticut Public Expenditure Council, the short courses provided local officials with practical help and familiarized them with the latest and best procedures.

The first school of the summer was held June 11-15 for municipal finance officers. Sessions were opened by Joseph M. Loughlin, director of the Institute of Public Service established by the University "for the purpose of serving public officials throughout Connecticut" by conducting courses and conferences, acting as a clearing house of information on various phases of government, and assisting officials, upon request, in the solution of their problems.

The lead-off lecture, declared by several finance officers in attendance to have been the high point of the week, was a bird's-eye view of the financial setup of Connecticut municipalities given by Roger S. Baldwin, member of the Board of Estimate and Taxation of Greenwich, Connecticut. Other members of the instructional staff included Walter W. Walsh, state tax commissioner; Aldro Jenks, Otto P. Steege, Harold T. Murray, and James J. Regan, all of the State Tax Department; Director of the Budget Robert H. Weir, State Department of Finance and Control; C. L. Magnuson, State Purchasing Department; Carter W. Atkins and Dr. Thomas H. Reed, respectively executive director and municipal government counselor of the Connecticut Public Expenditure Council; Robert E. Pickup, executive director, Providence Governmental Research Bureau; Edward J. Glick, city auditor, New Rochelle, New York; M. O. Lilly, city auditor, Hartford, Connecticut; William H. Sherman, Public Administration Service, Chicago; Josiah Benton, First National Bank, Boston; Raymond A. Ross, School of Business Administration, University of Connecticut; Charles F. Coates, certified public

accountant; and Edward B. Wilber, U. S. Bureau of the Budget.

Two short courses for assessing officials, a direct outgrowth of a highly successful school for assessors held in the summer of 1944, were held during August with the University's School of Business Administration as the host. The first, a basic course, provided instruction in scientific assessing procedures, including the legal problems of assessing, various methods of appraising real property, merchants' and manufacturers' stocks and other tangible personal property, and the use of tax maps, land value maps and record systems. The advanced course included lectures on such special topics as the technique of assessing residences, mercantile buildings and personal property.

The 1945 picture was rounded out with a school for tax collectors, held September 4-8 under the joint auspices of the University's Institute of Public Service, the State Tax Department, and the Connecticut Tax Collectors Association.

CARTER W. ATKINS,
Executive Director

Connecticut Public Expenditure
Council

Municipal Postwar Reserves Authorized in 26 States

Legislatures of five states—Montana, South Dakota, Utah, Idaho and Nevada—have recently authorized municipalities to set aside funds for postwar construction and repair of public works; and the state of Washington now permits reserve funds. This brings to 26 the number of states where local governments may establish such funds, according to the Municipal Finance Officers Association.

Nevada authorizes creation of postwar funds by counties, cities, towns and school districts; Idaho allows cities to levy up to twenty mills be-

tween 1945 and 1950 for postwar improvements; Utah has authorized local taxing bodies to levy up to one mill for postwar funds; Montana and South Dakota also permit cities to set up postwar improvement reserves.

The 21 states which previously gave municipalities authority to establish postwar reserves include Arizona, California, Connecticut, Florida, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Oregon, Pennsylvania, Rhode Island, Washington, and West Virginia.

Most of the statutes specify the maximum amount of any special annual levy. Nebraska and North Dakota set time limits of ten years and two years respectively.

H.M.O.

Public Works Plans Exceed Eight Billions

Through July 1, 1945, postwar engineering construction plans by public agencies in the United States totaled \$8,148,000,000, according to the most recent announcement of the Committee on Postwar Construction of the American Society of Civil Engineers. To the same date plans for private construction were \$1,124,000,000, making a total of public and private works plans under way of \$9,272,000,000.

The more than nine billions of dollars of postwar construction plans under way represented less than half the proposed postwar projects, which exceeded twenty-one billions of dollars to the mid-year. Plans ready for bids totaled \$805,000,000 in the public works category and \$404,000,000 in the private projects group. Thus, according to the committee's figures, after men and materials are available, construction could start as soon as bids could be let on approximately \$1,200,000,000 of public and private construction projects.

New York's Revised Local Finance Code Takes Effect

On September 1, 1945, New York State's new Local Finance Law became effective. While there is little in it not already on the statute books, the new law (Chapter 33-a of the Consolidated Laws) represents several years intensive work recodifying the entire local finance law of the state pursuant to provisions of the constitutional amendments adopted in 1938.

The new statute is in three parts, the Local Finance Law itself, adopted first in 1942 and amended at the 1943, 1944 and 1945 sessions of the legislature; a so-called omnibus bill, amending the general and local laws, enacted in 1943 and amended in 1945; and a schedule of repeals, enacted in 1943 and amended in 1945, removing obsolete and inconsistent provisions. The finance law itself takes effect September 1, the omnibus act and repealer on September 2.

Kansas Makes Statewide Hospital Survey

The first statewide survey of hospital costs in Kansas, covering 113 public and private hospitals, has been completed by Dr. F. C. Beelman, secretary of the Kansas State Board of Health, and Victor P. Steinmeyer, accountant for the board. The survey was made because of the wide variation in per diem ward costs in hospitals participating in the Emergency Maternity and Infant Care Program. These hospitals have cared for 18,000 cases, and received reimbursement of \$487,809, since the program for wives and year-old children of servicemen in the four lower classes was inaugurated in Kansas in June 1943.

The survey has aroused widespread interest among all hospitals and in cities and counties which are preparing to construct new hospitals. Eleven new county and city hospitals have been

authorized recently by special elections. Five cities have authorized bond issues totaling \$760,000, and municipal construction in three cities which will amount to \$775,000 is under consideration.

The wide variation in costs was due chiefly to a lack of uniformity in management and accounting procedures, according to Dr. Beelman and Mr. Steinmeyer, who recommended standardized methods of administration and declared the study should be regarded as a guide for a more detailed analysis of hospital operating costs. The average daily rate for all hospitals is \$5.01. The lowest average daily rate reported was \$4.90 for the fourteen hospitals with more than 100 beds.

An annual per diem cost statement is required for all hospitals participating in the Emergency Maternity and Infant Care Program for which the Board of Health is the state administrative agency, with funds granted by the U. S. Children's Bureau. Such a statement will also be required for hospitals participating in the proposed vocational rehabilitation program. It has been estimated that there are approximately 53,000 physically disabled civilians in Kansas, who will benefit from this new hospital service.

JOHN G. STUTZ, *Executive Director*
League of Kansas Municipalities

Nebraska Legislature Repeals Budget Law

After persistent criticism of many of its features as unworkable Nebraska's uniform local budget law for second class cities and towns, enacted in 1943, was repealed by the 1945 legislature. The opposition was spearheaded by the League of Nebraska Municipalities, which has appointed a committee headed by Clarence H. Hoper, city manager of Alliance, to prepare a draft for a more workable law to be submitted to the 1947 legislature. The Ne-

braska league's committee will work in conjunction with the State Legislative Council, which was charged by the legislature with the task of making a thorough study of the situation and reporting to the next legislative session.

New York Cities Consider Pay-as-you-go

Proposals for the financing of capital improvements on a pay-as-you-go basis by utilizing the difference between a fixed tax levy and the annual requirement for declining debt service are under consideration by Buffalo and Syracuse, New York.

In Buffalo, where the scheduled reduction in debt charges because of retirement has for some years been offset by refunding of maturing bonds and issuance of bonds for emergency public works, little is expected to be available for improvements under the scheme until 1951, when debt charges begin to decline sharply. Until 1951 an annual levy of about \$1,500,000 is proposed, with about \$4,000,000 provided thereafter, under a plan formulated by Budget Director Edward A. Neider and summarized in a recent issue of *Taxes for Democracy*, published by the Tax Institute.

Under the proposal the total rate for city purposes in 1946-47 would be \$32.92 per \$1,000 of assessed valuation, divided \$20.25 for operations, \$11 for debt service, and \$1.67 for pay-as-you-go. By 1950-51 the rate for debt would be down to \$6.41, pay-as-you-go up to \$4.44, and with the operating requirement unchanged the total city rate would be \$31.10. Thereafter the pay-as-you-go rate would be unchanged, while the debt rate would continue to decline, so that barring increases in the levy for operating purposes, the \$4,000,000 annual pay-as-you-go levy could be made with the total rate declining slightly.

In Syracuse the Civic Committee

estimates that if the 1945 tax rate is maintained unchanged, by 1947 a pay-as-you-go levy accounting for the difference between debt charges in 1945 and debt charges in 1947 would produce about \$1,350,000, and by 1960 about \$3,700,000 annually would be available for improvements.

Oregon Tax Survey Ordered

The Oregon legislature by joint resolution has established a Tax Study Commission to study virtually the whole range of state and local finance and report its recommendations and proposed bills to the next legislature.

The legislature charged the commission with no less than eighteen specific tasks, ranging from an overall "analysis of the entire tax structure of the state . . . as related to present and future needs and demands of the state, county and municipal governments" to study of individual taxes and expenditure needs. Property taxes, the income tax, excise taxes, liquor taxes, among the revenues, and education, vocational training, welfare and fiscal aid to the political subdivisions, among the expenditures, are all set for scrutiny.

Cigarette Taxes Saved for States

Sale of tax-free cigarettes to civilians on Army and Navy property, an amenity alleged to have cost the states imposing cigarette taxes several millions of dollars annually, has now been stopped by both services.

The Army discontinued sales under a War Department directive issued more than a year ago. On June 11, 1945, the Navy took the same action. The Army directive suggested that posts use vending machines to distribute cigarettes to those not entitled to the tax-free supply. The Navy, however, chose to stock both stamp-taxed and tax-free supplies.

Local Affairs Abroad

Edited by Edward W. Weidner

British Labor Victory and Local Government

***Many Changes Expected in
Administration of Utilities,
Planning, Housing, Health***

THE overwhelming victory of the Labor party in the recent British elections may have a profound influence on many aspects of English local government. The new government's policies concerning municipally-owned utilities, local government reform, housing, planning, fire services and health may differ greatly from those of its predecessor.

Complete nationalization of gas and electric utility systems has been announced as one of the most urgent of the Labor party's reforms. This would mean abolition of municipally-owned utilities. "The only question," commented Herbert Morrison, now Britain's Lord President of the Council, a few months ago, "is whether this common public service is to be handed over to public ownership and management or whether the country is to tie itself in knots in order to keep private ownership—or municipal ownership for that matter—in the picture." The King's speech August 15 was less drastic, merely referring to "coordination of the fuel and power industries."

Less sweeping changes may be expected in the readjustment of local government boundaries and functions. The Local Government Boundary Commission bill, which was passed in the closing days of the old Parliament, provides for a central commission with jurisdiction over boundary alterations.¹

The Labor government can directly influence the commission's work, since the Minister of Health is free to appoint members of the commission. With the approval of Parliament he is to draw up general directions for its guidance which may well determine the scope of its activities.

Only four months ago the Minister of Health appointed a committee to study and make recommendations regarding the number, size, boundaries and distribution of functions of local units in the London County area; action on this matter is another problem confronting Prime Minister Attlee's cabinet.

The attitude of the new government toward local government reform remains to be seen. Two years ago the Labor party called for a two-tier structure with the major or regional authorities (about 40 in number) controlling and administering the majority of local services, and the minor or area authorities (about 150 in number with an average population of 250,000 to 300,000) performing purely local services or those delegated to them by the region. Whether this radical goal will now be accepted as the government's is somewhat doubtful; the debate on the boundary commission bill "showed the tenderness which all parties, left as well as right, display towards the susceptibilities of existing authorities."²

As with local government reform, so too with housing and planning. Although the new government's policies are yet to be clearly defined, the net result will probably be a somewhat more thoroughgoing program. Last year's *White Paper* on control of land use was virtually ignored by the Churchill government; Labor may be expected to stress land use control as a partial solution to the complex hous-

¹See the REVIEW, May 1945, p. 263; July 1945, p. 332.

²*Economist*, June 9, 1945, p. 766.

ing and planning problems.³ Greater emphasis on a long term housing program and more attention to local planning seem likely. The King's address promised not only a reorganization of the housing industry but also attention to problems of compensation and betterment and public land acquisition.

Another *White Paper*, that on health, may be "saved" by the change in parties. As originally set forth this plan for comprehensive medical and health services provided that the medical profession perform an advisory function on both central and local levels. Local administration was to be centered in joint authorities of two or more counties or county boroughs. The power of the British Medical Association was very effective in forcing the outgoing government to yield on several points, with the result that private medicine was to control regional and area hospital councils, leaving local government quite impotent. The Labor party having accused the government of selling out to the British Medical Association, some backtracking may be expected.

When Herbert Morrison was home secretary, he showed no inclination to return the war-nationalized fire forces to the localities whence they came. The decision on this problem may be an important one inasmuch as it will reflect Labor's attitude toward local government in the postwar era.

British Outgoing Government Passes Local Legislation

Local government reconversion in England is well under way with the Education, Town and County Planning, Representation of the People, Local Authorities Loans, and Wages Councils Acts passed by the last Parlia-

ment.¹ Implementation of the Local Authorities Loans Act, by which localities will borrow money through the central government only, was set by the outgoing Minister of Health for August 1.

In the field of housing — Britain's number one domestic problem — the Churchill government recently gave local authorities power to license housing work by private owners and tenants and to requisition empty houses for immediate use without reference to any central department. It was announced that by July 119,000 temporary local housing sites had been approved and 300,000 permanent sites acquired by local governments. Temporary houses from the United States helped ease the shortage, but the government found it necessary to abandon for a time some parks and garden city plans because all space was needed badly for emergency housing.

War-made Problems

Demobilization of civilian defense organizations and war damage repairs has begun. Some problems which have arisen are the question of central government financial assistance, the collection and disposition of surplus war materials, and the possibility of local government retaining some of the functions acquired during the war. Salvaging activities and British restaurants are examples of the latter.

Population movements during the war and the current return of evacuees to metropolitan areas have made it imperative that many ward boundaries be redrawn.

The future of the wartime-regionalized dock and harbor authorities is being discussed; some regional framework may be made permanent.

³See the REVIEW, November 1944, p. 567.

¹See the REVIEW, March 1945, p. 151, and *American Political Science Review*, April 1945, p. 337.

Big Three Recognize Value of Local Government

The value of local self-government as a training ground for democracy was recognized by the "Big Three" at the Potsdam Conference on Germany. The text of the communique on the matter was as follows:

"The administration of affairs in Germany should be directed towards the decentralization of the political structure and the development of local responsibility. To this end:

"Local self-government shall be restored throughout Germany on democratic principles and in particular through elective councils as rapidly as is consistent with military security and the purposes of military occupation. . .

"Representative and elective principles shall be introduced into regional, provincial and state (land) administration as rapidly as may be justified by the successful application of these principles in local self-government."

Boundary Changes in Two Canadian Provinces

Reorganization of rural municipal boundaries in Saskatchewan has been delayed further as the result of a protest by the March convention of the provincial Association of Rural Municipalities.¹ Contending that studies of the problem up to now have ignored factors other than economy and efficiency of administration the convention called upon the government to delay action until a thorough investigation of all factors—including local community of interest, the close contact between officials and citizens afforded by the existing system, and the advantages of decentralization—could be made.

Both the convention and the provincial legislature have urged the gov-

ernment to provide for a local referendum on any boundary changes; the Minister of Municipal Affairs, in reply, has indicated agreement. Legislation is being prepared which will give the minister power "to endorse a map of boundaries." The boundaries, which would be drawn only after consultation with local officials and citizens, would not be effective unless 100 electors in the newly designated area petitioned the minister to make it a municipality. After publicizing the proposal, opportunity for a referendum would be given the voters if 100 electors so petitioned.

A new investigating committee has been appointed and already has held several meetings.

The urgency of larger units is well illustrated by the plans of the new provincial government for increased public health services on the local level. For financial and administrative reasons, it would be desirable to have larger units if more extensive functions are to accrue to localities.

Officials in a second Canadian province, Alberta, have announced that no further enlargement of local government boundaries is contemplated, unless at the request of localities. Proponents of larger units in Saskatchewan have been citing the recent boundary reorganization in Alberta as an example of what might be desirable in their province.

Election Law Changes

Both provinces have recently altered their election laws. Saskatchewan has enfranchised tenants of farm land of 80 acres or more while Alberta has provided for the listing of non-property owners who have had the vote on electoral rolls. Previously non-owners of property in Alberta have had to prove their right to vote at each local election.

¹See the REVIEW, April 1945, p. 203.

Books in Review

A Million Homes a Year. Modern Housing for Every Income—the Problem and the Possibilities. By Dorothy Rosenman. New York 17, Harcourt, Brace and Company, 1945. x, 333 pp. \$3.50.

Out of her ample experience the author, chairman of the National Committee on Housing, presents a graphic picture of the need for “a million homes a year.” She examines the problem from all angles—methods to reduce costs in borrowing money, in buying and improving land, in construction, in real estates taxes; the relationship of home to neighborhood, the neighborhood to the greater community and the greater community to the world about. Three problems are given special treatment: development of slum areas, government assistance for low income families, and the expediency of home ownership.

City Development—Studies in Disintegration and Renewal. By Lewis Mumford. New York 17, Harcourt, Brace & Company, 1945. 248 pp. \$2.

For this volume the author has collected six of his essays on city planning, dating from 1922 to 1945. In the introduction he comments that those he has chosen to group together “are the most representative selections of my work in the field of urbanism during the last quarter century.” The articles include *The City*, *The Metropolitan Milieu*, *Mass-Production and Housing*, *Report on Honolulu*, *The Social Foundations of Postwar Building*, and *The Plan of London*. The last two are now printed for the first time in the United States.

Cost Measurement in Urban Redevelopment. By Miles L. Colean and Arthur P. Davis. New York 18, National Committee on Housing, Inc., 1945. 43 pp. charts. \$15.

One reason that urban redevelopment has proved so baffling is the fact that so little exact knowledge, so few facts and figures have been available to measure the different cost factors, to determine their relationship and, most important of all, to tell quickly and accurately their effects on rents and investment return under a given rebuilding program.

The report by Mr. Colean and Mr. Davis is designed to remedy this situation. Its objective is to provide facts in place of guesses, and facts that are applicable to the many varying conditions to be found. Its primary usefulness is that it provides a means of measuring, in respect to certain specific types and quality of dwelling structure, the effect of variation in land cost, financial rate, and taxes.

The need for such a study has long been evident. Modern transportation facilities have made available to urban families cheap land in suburban areas where, with the additional benefits of lower taxes, they can obtain the double boon of lower shelter costs and less crowded living conditions. The older sections of cities, otherwise ripe for rebuilding, are thus placed at a competitive disadvantage.

If our cities are to be rebuilt these disadvantages must be overcome and a new balance in the final shelter costs achieved between inlying and outlying areas.

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How Cities Assess the Cost of Local Government. Albany, New York State Bureau of Municipal Information, 1945. 13 pp.

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Child Welfare

Building the Future for Children and Youth. Next Steps Proposed by the National Commission on Children in Wartime. (Summary of Recommendations). Washington 25, D. C., U. S. Department of Labor, Children's Bureau, 1945. 11 pp.

Civil Service

The Civil Service in Transition. Annual Report for 1944. New York City 18, National Civil Service League, 1945. 15 pp.

Position Classification as an Aid to Supervision. Washington, D. C., United States Civil Service Commission, Personnel Classification Division, 1945. 14 pp.

Whither the Merit System. Practices—Prospects—Possibilities. By Herbert Emmerich, H. Eliot Kaplan, Floyd W. Reeves and Leonard D. White. New York 18, National Civil Service League, 1945. 24 pp. 25 cents.

Congress

Congressional Handbook. Washington, D. C., Chamber of Commerce of the United States, Department of Governmental Affairs, 1945. 108 pp. 50 cents.

Education

Now . . . In Our Town. Emerging Administrative Practices in Adult Education in Public Schools and Colleges. By the Regional Committee on Adult Education. Washington, D. C., American Association of School Administrators, 1945. 34 pp. 25 cents.

Highways

The History and Accomplishment of Twenty-five Years of Federal Aid for Highways. An Examination of Policies from State and National Viewpoints. From address by Samuel C. Hadden.

Washington 4, D. C., American Association of State Highway Officials, 1945. 31 pp.

Legal Aspects of Controlling Highway Access. A Study by the Division of Financial and Administrative Research. Reported by David R. Levin. Washington, United States Government Printing Office, 1945. 46 pp.

Housing

—And There Goes Another Slum. New York 16, Citizens' Housing Council of New York, Inc., 1945. 14 pp.

Housing: A Community Job. What Citizens Can Do to Make Their Communities Better Places for Living. By National Housing Agency. Washington 25, D. C., Superintendent of Documents, 1945. 11 pp. 5 cents.

The Local Housing Authority and the Architect. A Workable Relationship in Planning a Public Housing Program and in Designing a Public Housing Project. By Oliver C. Winston. Chicago 37, Public Administration Service, 1945. 16 pp. 60 cents.

The Rehousing of the Families on the Stuyvesant Town Site. A Report of a Survey Based upon Interviews with Families on the Stuyvesant Town Site with Reference to Provision for Displaced Families. New York 10, Community Service Society, Committee on Housing, 1945. 19 pp. 50 cents.

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Compiled by George I. Whitlatch. Nashville, Tennessee State Planning Commission, 1945. xv, 210 pp. \$1.

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The Green Light for Your Dallas and Mine. Dallas, Greater Dallas Citizens Committee, 1945. 36 pp.

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San Diego. Sacramento, California State Reconstruction and Reemployment Commission, 1945. 31 pp.

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How to Dispose of Records. A Manual for Federal Officials. Washington, D. C., The National Archives, 1945. 50 pp.

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Borrowing for the War. By Mabel L. Walker. New York 7, Tax Institute, 1945. 5 pp. 25 cents.

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